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NOTES OF THE WEEK

Ruthless fate has removed from the head of the Government a statesman of marked sincerity, singleness of purpose and charm of character, but whose lack of the magnetic power of appeal precluded him from capturing the popular imagination. The one achievement that entitles him to a niche in the temple of fame is that he smashed that egregious political imposture, the post-war Coalition, and thus helped to win back for England some of the respect and confidence of Allied countries which Mr. Lloyd George's shiftiness and want of principle had caused her to forfeit. Mr. Stanley Baldwin, who succeeds him in the Premiership, was the inevitable selection in a democratic community such as ours, and it is satisfactory to know that his advent to power has been welcomed by our principal Allies, with a sense of relief that the claims of his chief rival were not allowed to prevail.

* * *

The clumsy fiction that Belgium throughout the Reparations imbroglio has acted merely as the too complaisant ally of France is apparently now to be cast aside like any old rag that has failed to serve the purpose for which it was designed. As the proofs produced in these columns from the declarations of Belgian Ministers, endorsed by the great body of the country's Press, have demonstrated, MM. Theunis and Jaspar, following in the footsteps of their predecessors in office, have throughout been as tenacious of their country's rights and as resolved to enforce German respect of them as ever M. Poincaré has shown himself to be of those of his own country. This is now not only admitted by critics of Franco-Belgian diplomacy, but by a curious irony of fate these same critics seem now determined to convince us that Belgium is actually determined to convert France to the necessity of inflicting greater humiliation on Germany than the occupation of the Ruhr itself has entailed on that Power. According to them MM. Theunis and Jaspar have submitted a new solution of the reparations problem which shall involve the establishment of a rigid control of monopolies in Germany of the revenues from railways, intoxicants, sugar and tobacco, and they are said to have gone to Paris for the express purpose of pressing on M. Poincaré the acceptance of this proposal, which would mean that the Reich would be overrun by an army of French and Belgian officials in complete control of these important factors in the economic life of Germany. The minutes of Cabinet Councils held in Brussels which are issued to the Press give no indication, however, of any such intentions as are now attributed to the Belgian Government, while the rumours circulated in certain interested quarters are wholly discredited by the Belgian Press ; and it is at least open to doubt whether the German people would be over-pleased with the suggestions put forward by their acting friends.

* * *

The spirit of insubordination and revolt that spread everywhere throughout the masses as an aftermath of the war was the result of a natural reaction from the self-restraint exercised through four long years of hostilities, and from the restrictions, generally necessary but oftentimes arbitrary, imposed by authority and continued for an unconscionable length of time after the Armistice in violation of definite pledges, an evil policy which has made Dora in this country a scoff and a by-word ; but it was also in a large measure due to the rude awakening from dreams of happiness sedulously fostered by reckless politicians, which were only too well known to be incapable of realisation. The latest example of this unfortunate spirit comes to us from Belgium, where Socialist labour has taken advantage of the very difficulties of the nation in relation to Germany to plunge the country in disorder for the purpose of achieving its selfish aims. Fortunately the Government under M. Theunis, which has had to bear the brunt of all the blunders of the discredited Coalition Government that preceded it, has resolutely refused to yield to the dictation of professional agitators and revolutionary demagogism, and has thus earned for itself the moral and practical support of all the sober elements in the community. The strike, which has already lasted over a month and has disorganised the principal services of the State, may endure for some little time yet, but however long the end may be delayed the result will be the same : the workingman will be the greatest sufferer, nor will his

Notes of the Week

sufferings be allayed on realising how foolishly he has allowed himself to be duped by the strike directory.

* * *

The mentality of the English people is probably as much a mystery to ourselves as it is to foreign nations, friendly or the reverse. It is a refreshing experience to have the subject attacked and elucidated in the witty manner in which it has been handled by Mr. L. L. B. Angas in his "Germany and her Debts." The three pages he devotes to the question of English Foreign Policy are a clever delineation of our official attitude towards Continental relations and particularly in respect of that hoary diplomatic *cliché*, the Balance of Power. For "despite our long-run contempt for the Balance of Power policy, we rather illogically incline to the idea in practice; we think, in fact, that some balance is better than no balance, and that the pursuit of a policy fostering a balance to some extent postpones a complete loss of balance and to this extent delays future wars. We think, moreover, that since there is usually some hope in delay, the creation of a balance, which may lead to delay, is perhaps well worth attempting. . . . Although the average Englishman never gives his consecutive governments credit for having consecutive policies, especially foreign policies, his opinion is not shared in the schoolrooms or the Chancelleries of Europe. Englishmen would do well to learn that they are, politically speaking, regarded (undeservedly, of course) with something resembling suspicion. Foxes who always make off with grapes cannot escape being classed as foxes. Englishmen, as history shows, are foxes who appreciate grapes, but do not understand why people regard them as foxes. In Europe, strange to say, the British Government is given quite considerable credit for having a 'Continuous Policy.' People in Continental countries will not believe that it is just 'pure chance' that the map of Africa is now painted red from Cairo to the Cape. They simply won't believe that the policy of Gibraltar, Suez, Malta, and Chanak is 'pure chance.' Of course they are wrong. But, as I say, foxes who are always jumping at grapes are sometimes mistaken for foxes. '*Each balance of power ends up in a war which adds to England's possessions!*'"

* * *

Before the war it was a generally accepted fact that Germany's technical schools and training methods in connection with handicrafts were in many respects greatly in advance of our own. Another stride in this direction is indicated by the establishment by the Prussian Government of a Chair of Aeroplane Construction at the Berlin Technical College. The well-known engineer Dr. Hoff, head of the German Institute for Experimental Flying, has been appointed to the Chair. Obviously the idea at the bottom of this new move is to promote as intensively as possible the twofold science of flying and construction during the period in which, by virtue of the Treaty of Versailles, Germany's activities in regard to the building of airships are narrowly restricted, in order that when this close time expires she may be in a position to make good rapidly with the help of large reinforcements of engineers skilled in the industry of aeroplane construction.

* * *

An office for the purpose of dealing with all questions relating to women's professions has just been established in Zürich by the leading Swiss feminist societies co-operating with the Swiss Association of Apprenticeship Councils and for the Protection of Apprentices. The duties of the institution embrace the collection and documentation of material relating to women's professions, the treatment of questions relating to women's professions through the medium of the Press, and methods of collaboration in matters dealing with women's work. The office also proposes to work with the professional information bureaux for young women seeking employment and to supply them with all useful information. The judicious choice of a profession is a matter of supreme importance to girls, and they are at a great disadvantage as compared with boys in that they have no tradition to guide them, whereas young men derive an assured strength from their traditional rights. The new organisation deserves to succeed, and if its activities are governed by wisdom, tact, and sweet reasonableness it may safely hope in time to extend its influence to a much broader sphere of action.

* * *

It is announced from Rome that a scheme for the foundation of an international mercantile exchange at Milan has been submitted to Signor Mussolini. The scheme includes the erection in close proximity to the exchange of an extra powerful wireless station which would make Milan the centre of the world's commerce. The Italian Premier is said to have promised the support of his Government, and to have advised that the construction of the buildings be expedited so as to be ready for use by the date of the opening of the Milan Exhibition. The *Tribuna* announces that, in order to guard against the enterprise being forestalled by any foreign country, the works, on which hundreds of workmen are to be employed, will be put in hand forthwith.

* * *

When an organ of such peculiar tendencies as the *Pravda* feels constrained to indulge in outspoken criticism of the marriage laws recently promulgated in Soviet Russia one cannot help feeling that there must be ample grounds for its invective. Marriage in this model republic is now based on the principle of a complete repudiation of all obligations legal and moral, and as it no longer complies with economic laws the fundamental principle of the home is completely destroyed. Henceforth the marriage contract ceases to imply any of the hallowed bonds recognised in communities with any pretension to civilisation as uniting man and wife in an abiding union. It is the man, of course, who is meant to profit by the new arrangement: the woman remains chained to the ruins of the family hearth, and whereas formerly custom demanded that the father should bear his share in the education of his child, he is now completely exonerated from this obligation. As our Moscow contemporary shrewdly observes, so long as the State system is lacking in respect of child welfare and the marriage laws ignore this vital problem, these laws must conduce to a debased morality opposed to all social principles, even of the less outrageous Communist order.

* * *

The new Paraguayan Immigration Law which has been passed by Congress and which, with the exception of a few provisions, supersedes that of Oct. 6, 1903, shows an unusual spirit of friendship and help to immigrants who are likely to make good citizens. In order to be admitted, immigrants, who are defined by the law as persons who arrive in the country for the first time with the intention of settling in it, must show that they are of good character and capable of working in agriculture, industry, or a profession. The privileges given to such immigrants, who, by the way, must possess "100 gold pesos per male adult," include free second-class ticket by train or boat from Buenos Aires, free board and lodging for a week in the immigrants' hostel in Asunción, and the occupation of 20 hectares of land per family for agriculture or some other useful trade.

FRANCE

POLITICAL AND GENERAL

The battle over summer time which has so long been waged with fluctuating fortunes has at length, owing to the resolute attitude of M. Poincaré, terminated in favour of its supporters.

The Chamber, which recently rejected a Government Bill authorising the Government to fix the legal time by decree (*cf.* The Economic Review, May 18), has on reflection passed a Bill to advance each year the time by sixty minutes from the last Saturday in March until the first Saturday in October, with power to the Government, in agreement with neighbouring Allied nations, to change the first date to the third Saturday in April and the second to the third Saturday in September. The Bill, in an attempt to meet the objections of the rural population, instructs the Minister of Public Works to make such alterations in the time tables affecting workmen's and supply trains in the morning and evening as may be necessary, in view of the alteration of the time, and instructs the prefects to fix the hours of opening and closing schools in the communes which shall make the request, and of opening and closing markets and fairs in accordance with local custom and with the interests and needs of the rural population. The first clause of the Bill instituting summer time was passed by a narrower majority (278 votes to 250) than the whole Bill. A Bill for the acceptance of the time of the meridian of Strassburg was rejected. The acceptance of the measure was probably largely due to the direct intervention of M. Poincaré. The Premier, after pointing out that no complaint against the advance of the clock had been heard in France until 1921, and that some of the disadvantages complained of had been rectified, went on to set out the advantages of the change which was vehemently demanded by industry and commerce. Against the slight inconvenience inflicted upon the rural population must be set off in the first place the saving by the introduction of summer time of 200,000 t. of coal and an important quantity of gas, electricity and oil a year. Now since France's coal production is inferior by 26 mill. t. a year to its consumption, every effort to diminish consumption is of value. By working by daylight manufacturers will be able to diminish the cost price and consequently the market price of their goods. Furthermore, owing to the adoption of summer time by Great Britain, Belgium and Luxemburg, railway communications as well as commercial and financial relations with those countries are at present seriously disturbed.

The success in the Chamber by no means put an end to the resistance to the Bill, as its rejection was recommended by the Commission of the Senate, and it was only because M. Poincaré defended the Bill in person in the Senate, making it a question of a vote of confidence, that the Upper Chamber reluctantly passed it.

FINANCE

VIEWS ON THE NEW CUSTOMS TARIFF.

The general meeting of the National Association of Economic Expansion has approved the replies, drafted by a special committee presided over by the well-known economist and Senator, M. Raphael Georges Lévy, to the list of questions relating to the proposed new Customs tariff addressed to various economic institutions and associations by the Ministry of Commerce. These replies are couched in the following terms :—(1) That the classification of articles liable to duty under the tariff be developed to a reasonable extent; (2) that specific duties should, subject to exceptions for which good reason must be shown, be preferred to *ad valorem* duties; (3) that Customs duties should automatically follow the fluctuations of the exchange by means of an index number amending the existing duty by multiplying it by the coefficient in force, and that such index number should be established each month on the basis of the average rates of exchange for the preceding three months, that it should only be adopted if the alteration of the exchange should exceed 5 per cent., that it should only be applicable to goods having no coefficient, if it exceeds 1, and finally that it should cease to operate as soon as the dollar should stand at Fr.10, as in such case the influence of the exchange would be practically negligible compared with other factors of the cost price; (4) that it was not the place of a general association composed of various trades to draw up a list of key industries, and that the Government must assume the responsibility of designating such branches of industry as ought to benefit by a privileged situation by reason of national interest and national defence; (5) that the anti-dumping provisions of Clause 3 of the Act of Mar. 29, 1910, are adequate. (For the questions *see* The Economic Review, April 13.) (*Journée Industrielle.*)

TRADE

FRANCE'S FOREIGN TEXTILE TRADE.

Imports into France of textile fabrics during the first two months of 1923 amounted to 70,825 metric quintals to the value of 64.4 mill. francs as against 67,197 quintals and 57.6 mill. francs for the first two months of 1922. The quantity of the various classes of fabrics imported (in quintals, the figures in brackets representing the corresponding period of the preceding year) is as follows : Linen, hemp, china grass, 7,789 (5,379); jute, phormium tenax, etc., 53,626 (54,074); cotton, 6,040 (3,984); woollen, 2,730 (2,903); alpaca and animal hair, 237 (208); silk and floss silk, 367 (649). Exports of textile fabrics amounted to 129,992 quint. of the value of Fr.636.4 mill., as against 132,505 quint. and Fr.508.8 mill. during the corresponding period of 1922. These exported fabrics were made up as follows : Linen, hemp and china grass, 1,889 (1,490); jute, phormium, tenax, etc., 21,503 (27,858); woollens, 43,450 (24,460); alpaca and animal hair, 279 (294); silk and flock silk, 11,854 (9,700).

During the above period 1,110 kg. of silk ribbons were imported into the country (of which 1,023 kg. came from Switzerland), as against 3,079 kg. in January and February 1922.

The following figures of France's exports to Italy of textiles and textile machinery during the first half of 1922, compared with those from Germany, are supplied by M. Bonnefon-Craponne, the French commercial agent in Italy (the figures represent quintals) : Sewing cotton, total amount imported into Italy, 1,883; from France 1,081; from Germany 345; cotton fabrics, total 11,385, France 1,742, Germany 1,165; washed wool, total 24,818, France 12,796, Germany 2,726; wool waste and flock, total 12,227, France 2,292, Germany 847; undressed animal hair, total 3,382, France 1,208, Germany 281; woollen fabrics unstamped, total 8,485, France 1,761, Germany 1,318; machinery for spinning, total 21,845, France 2,519, Germany 5,182; machinery for weaving, total 16,877, France 579, Germany 7,285; sewing and embroidery machines, total 11,716, France 53, Germany 2,247; chiffon, total 18,198, France 8,253, Germany 1,270.

The following figures of foreign trade in silk during 1922 are supplied by the Customs :—Silk imports during 1922 compared with 1921 (in brackets) show the following results (in 1,000 kg.) : cocoons, 492 (362); raw silk, 5,757 (3,076); manufactured silk, 120 (134); artificial silk, 430 (164). Silk exports during 1922 were (in 1,000 kg.) : cocoons, 31 (38); raw silk, 350 (277); manufactured silk, 638 (436); artificial silk, 292 (245).

France

Since the beginning of the new season the exports of fabrics were: in Japanese silk to Europe, 17,000 bales (18,300 in 1922); to America, 224,000 bales (184,500), total, 241,000 (202,800); stock in hand, 15,000 bales (37,000); in Chinese silk (spun in the European manner, new silk), 58,000 bales (45,000); stock in hand, 3,000 (3,000). (*France Textile.*)

Complete agreement has been reached between the representatives of the French and Italian silk industries, who recently held a conference at the Ministry of Industry in Rome on questions left outstanding by the commercial convention on the Customs system to be adopted by the two countries with regard to silk and silk goods. (*Journée Industrielle.*)

A WOOL MARKET AT DUNKIRK.

The creation of a wool market at Dunkirk will soon be a reality. The President of the Chamber of Commerce of Dunkirk states that the port, which is admirably equipped, can quite well serve for the transit of the enormous quantity of wool worked up in the North of France, which at present comes through Antwerp and Zeebrugge. The market, he stated, will deal only in South American wool. (*France Texile.*)

AGRICULTURE

THE AGRICULTURAL CONGRESS.

At the fifth Congress of Agriculture, presided over by M. Ricard, a former Minister of Agriculture, and President of the National Confederation of Agricultural Associations, resolutions were passed on the following subjects:—

1. *The production of nitrate fertilisers.* That in view of the urgent necessity of increasing the manufacture of nitrate fertilisers, all scientists who devote themselves to the study of that important question shall be encouraged and financially assisted; that the Bill for forming a company to work the Haber process shall be passed by the Senate and become operative without delay; that every facility shall be accorded to private enterprises formed for the purpose of working other processes; that the Congress express its approval of the Bill passed by the Chamber for the working of the Alsace potassium mines, as being in accordance with the fundamental interests of agriculture, and call upon the Senate to pass it forthwith and the Government to give immediate effect to it; that it invite the managers of agricultural associations to take immediately all measures for raising the share of capital of the company to be formed for working the potassium mines, to be assigned to agriculture.

2. *Transport rates.* That in the revision of rates, the Ministry of Public Works and railway companies shall agree to all amendments in the public interest, especially to those which, although involving some pecuniary loss, would carry compensation in increased production, consumption and carriage of agricultural produce, as well as to all amendments which may tend to bring together producer and consumer, eliminate foreign competition, stimulate trade with the colonies, and reduce the disparity between prices paid to the producer and those paid by the consumer; and that the reduced rates which had been accorded until May 1, 1924, should be extended.

3. *The parcel post.* That the system of postal packets be improved so that the whole of France may benefit by the advantages enjoyed by the departments of Bas-Rhin, Haut-Rhin and Meurthe et Moselle (Alsace-Lorraine), and that in consequence the new agreement benefiting the railway companies shall remain in force for a very limited term of years and shall give place to any future arrangement calculated to ensure a better delivery of postal parcels, especially in the country.

4. *The renewal of leases.* That the Congress invite the Confederation to stimulate the federated associations to make strenuous efforts to cause to be drawn up in each district a standard form of lease adapted to special needs and based on principles laid down by the Congress.

5. *Summer time.* That the Congress, being of the opinion that on the whole the disadvantages of summer time far outweigh the advantages urged for it by its partisans, and that it will render still more detrimental the Eight-Hour Day Act already so prejudicial to agriculture, and taking note of the fact that the Chamber, under pressure from the Premier, voted by a very narrow majority the restoration of summer time, urgently call upon the Senate to reject a reform which will accelerate the desertion of the country and increase the price of agricultural produce.

6. *The Commissions of investigation of the price of agricultural produce.* That the Commission for investigating the price of agricultural produce be composed equally of dealers and brokers on the one hand, and of producers on the other, the latter to be appointed by Chambers of Agriculture, or, pending their formation, by the agricultural associations concerned, or, in default thereof, by the departmental offices of agriculture; that the Minister of Agriculture in agreement with the Minister of Commerce, introduce into the Chamber a Bill to amend in the sense indicated above, the Goods Brokers Act of July 18, 1886. (*Journée Industrielle.*)

THE FLAX CROP.

The following statement as to the result of the flax crop of 1922 is taken from a letter written by the Chairman of the Associations of Retters and Scutchers to a local journal:—The flax fibres at present on the market are derived almost exclusively from the straw of the 1920 and 1921 crops. Notwithstanding the figures supplied by the Bulletin de Statistique Générale de la France, just published, the 1922 crop will produce no quantity of any importance. The official figure of 137,000 quintals is probably five times too high. Every expert knows that a large part of the 18,000 hectares sown were ploughed up before harvest, and that the rest produced non-fibrous straw, the yield of tow from which is insignificant. Before the war straw of this class would not find purchasers at Fr.5 the quintal, but alone, owing to their yield in seed, they are bought up standing at Fr.25 the quintal. (*France Textile.*)

SOCIAL AND LABOUR CONDITIONS.

THE BIRTH RATE PROBLEM.

The Etats Généraux de Familles de France, a society concerned with all phases of family life and the welfare of families, held its second meeting at Rouen on May 12. Among distinguished members present were General de Castelnau, famous for having held the German left wing in check at Nancy in August 1914, and so defeated the German general staff's plan for rapidly crushing France, and M. François-Marsal, an ex-Minister of Finance. The chief subject of discussion was the adoption of a policy tending to the increase of families. The report drawn up and read by M. François-Marsal dealt exclusively with this theme, and emphasised the danger to France of a declining or insufficiently increasing population. The excess of births over deaths per every 10,000 inhabitants in Germany was 95 in 1850, 119 in 1880, and an average of 142 from 1901 to 1910, whereas during the same periods in France it was 41 in 1850, 17 in 1880, and an average of 8 from 1901 to 1910. In 1860 the populations of France and Germany (including in the latter that of Alsace and Lorraine) were practically equal, at 36.5 mill. and 37 mill. respectively, but in 1914, whereas that of Germany had increased to 66.8 mill., that of France was no more than 39.6 mill. In 1913 the excess of births

over deaths was: In Germany 813,713, in England and Wales 376,915, Italy 468,516, France 58,914. In the years 1890, 1981, 1892, 1900, 1907, 1911, an excess of deaths over births was actually recorded. The slight improvement shown immediately after the war was abruptly checked in 1922, when the surplus of births declined from 150,790 in 1920 and 117,023 in 1921 to 70,579. From calculations already published it may be estimated that the respective levies from 1919 to 1933 will provide France with 3,332,000 combatants and Germany with 8,010,000. By 1936, at the present rate of decreasing population, the number of recruits will have fallen from 258,000 in 1922 to 113,000. The report then proceeds to consider the influence of the birth-rate on the economic development of the great nations, especially of Germany, which owes to an abundant stock of labour the steady progress of its productive forces. In France during the last half century industry has developed appreciably, but not by a long way to the same extent as in Germany, Great Britain, the United States or even Japan. Undoubted sources of wealth, such as water-power, and the mineral deposits of Anjou and Normandy have remained undeveloped from lack, not of capital, but of labour. It was not the speaker's intention to advocate an excessive industrial development in France, which is first and foremost an agricultural country, and would do better to remain so; but for the past half century the depletion of the rural population has made continuous progress, and industry has battened on man-power drawn from the land. France is compelled to call upon Italians to work the mineral deposits of Briey, Spaniards to dress the vines of the South, and Poles to gather the harvests of La Beauce. In districts with a low birth-rate large tracks of land are left fallow, the fertile valley of the Garonne forming a typical example. The average depreciation of land under cultivation in this district from 1870 to 1908 is estimated at 70 to 75 per cent., whereas in Brittany, a district with a high birth-rate, an increase of 10 per cent. is recorded during the same period.

The reporter then points out that the number of Frenchmen who seek their fortune abroad is extremely limited, and that France receives more workers from foreign countries than she sends to them, with serious economic consequences, and ascribes this lack of initiative to the theory of "the only son," much in vogue in a large section of society. The only son has not the same reasons as members of a large family for seeking to work and make his way, as his parents' property is assured to him, and if he does desire to increase it he obtains a post in a Government office and thereby swells the crowd of civil servants who are a drain on the economic resources of the country. Barren families make for barren production and lack of enterprise. It has therefore been said—no commendation from the financial standpoint—that the French have the mentality of the debenture holder rather than that of the shareholder.

In reply to the question of why Frenchmen do not have more children, M. François-Marsal frankly answers because they do not want to, since the race is still vigorous and energetic. He then denounces the spirit of individualism, a product of the Revolution, as the main, perhaps the sole, cause of the decline of the birth-rate, and of the population in France. It is very proper to fight against infant mortality, but no decisive result will be achieved without an increase in the number of births. The new Malthusian spirit must therefore be fought vigorously. Juries are too apt to deal leniently with cases of wilful abortion, probably because they regard the birth of a child as a nuisance of which it is perfectly legitimate to rid oneself. Turning to remedies for the low birth-rate, M. François-Marsal advocates in the first place a revision of the civil code, in which individualist theories find their highest expression. The equal distribution of property among children prescribed by the civil code no doubt plays a great part in the restriction of families, especially among farmers, to whom a large family is naturally an advantage, but who are deterred from producing one by the prospect at their death of the cutting up of their farm. It is a well-established fact that tenant farmers and "métayers" (tenants on the basis of division of produce) have larger families than the small landowner. The disadvantages of an equal partition have become so glaring that a Bill is at present before the Senate for the devise of rural properties entire. Individualism, which is the basis of French law, makes itself specially felt in fiscal measures. Large families suffer greater deductions whether from income or capital than bachelors or childless marriages. The tax in fact is levied on the family income or the aggregate income of the head of the family and his wife. Thus it happens that a man and woman living together irregularly will only pay income tax when their joint resources exceed Fr.14,000, as each is allowed exemption on the first 7,000, whereas if they marry they only enjoy exemption in respect of Fr.10,000 (Fr.7,000 general exemption and Fr.3,000 as a household). The father of a legitimate family will only benefit by a rebate of Fr.2,000 per child, but if he has illegitimate children to whom he makes an allowance he will enjoy a rebate of Fr.7,000 per child outside the family. The report then deals in its main lines with the Roulleaux-Dugage Bill for increasing the suffrage of family men, a plea which was eloquently advocated by Renan, on the principle that to civil obligations should correspond political rights. It is above all, he continues, the aim of the association to assure an efficacious protection to large families; much has been done of late years in this direction, but nevertheless only by the family vote can large families obtain full recognition of their rights. The small Frenchman at his birth has his civil rights and has also to bear his share of the national debt, and his natural legal representative, father, mother or guardian, should be empowered to defend these rights. M. François-Marsal concludes with the declaration that the grant of the family vote will undoubtedly prove the means of renovating family life and consequently of increasing the birth-rate. (*Journée Industrielle.*)

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BELGIUM

POLITICAL AND GENERAL

The period of patient waiting for the German rejoinder to the Allied Notes has given rise to a number of rumours which in the event may or may not do credit to the ingenuity and shrewd sense of surmise of those who have given them currency. The Cabinet Councils meanwhile produce the usual colourless reports of their proceedings and the most authoritative organs of public opinion, in close touch with Ministers of their respective parties, are at any rate agreed in their disavowal of any knowledge of a preconcerted programme such as it is represented the Belgian Government is about to submit to France in opposition to M. Poincaré's policy. "MM. Theunis and Jaspar," says the *XX^e Siècle* (May 24), "will go on Sunday to Paris, where in the course of the afternoon they will have a conversation with M. Poincaré. Should circumstances make it necessary, the interview will be resumed on Monday. These exchanges of views are the normal sequence to those which have regularly taken place between the two Governments since the very first days of the occupation of the Ruhr. Again on this occasion it will be a question of examining the proper measures to be taken to make this operation more and more fruitful. To this end a number of questions will have to be examined with a view principally to the removal of coal stocks, in connection with the accountancy of the operations that have already been carried out, and for the purpose of suppressing acts of sabotage, etc. It may be taken for granted that our Ministers will also discuss with M. Poincaré the question of reparations. There is much talk at present of an initiative which the Belgian Government is supposed to be about to take in submitting a plan of reparations. There is really no question of any such plan, correctly speaking, but we are aware that the Brussels Cabinet has sent to Paris the result of its investigations, and it is probable that views will be exchanged on the subject, for naturally it is desirable that a concrete programme of reparations should be realised. The Allies are awaiting Germany's new proposals. Either these will prove unacceptable, as it is open to us to anticipate, in which case they will be set aside; or else they may appear to be reasonable, in which case discussions may be set on foot. But even so it will be for the Allies themselves to decide what they mean to exact. And apparently this is the whole sum and substance of the important conversations that are about to take place" The *Indépendance Belge* of the same date writes to the like effect.

On May 25 a debate took place in the Chamber with regard to the daily increasing number of attacks to which the Belgian troops were being subjected by emissaries from Berlin, with the use of picrite bombs. "We cannot permit the lives of our soldiers to be constantly placed in peril in the occupied territory," protested the Socialist Deputy, M Hoen. "Germany must no longer be allowed to treat us with the shameless impudence she has been affecting of late. For every act of sabotage, for every attempt against the safety of our fellow-countrymen, the very severest penalties must be inflicted. That is what we ask for, without in any way being carried away by feelings of revenge." M Devèze, in replying to this speaker, who was heartily congratulated by most of his Socialist fellow-members, promised to introduce an amendment to the Military Service Act extending the period of service by four months. "The task undertaken by their soldiers in the Ruhr," he said, "was a matter of justice and equity. The Government were being pressed to punish all acts of sabotage. The military authorities were in a position to strike in cases where the guilty were caught in the act; but when the criminal escaped and it became necessary to take combined action, the military authorities had to refer the matter to the Inter-Allied High Commission, which imposed fines, applied the curfew, and inflicted such other penalties as it thought fit. Of course the Germans showed themselves far more expeditionary during their occupation of Belgium, but it was not for the Belgian authorities to follow their evil example. He was prepared to take every necessary measure to ensure the safety of the troops. During his recent round of inspection in the Ruhr he had impressed on the soldiers that, while they were not to put the weapons with which they had been entrusted to any bad use, they had a right and it was their bounden duty, when attacked, to defend the authority and the prestige of the Belgian army and their own lives." The speech was received with general applause.

FINANCE

THIRD MILLIARD WAR REPARATION LOAN.

The third Five per cent. Milliard Loan of the Fédération des Coopératives pour Dommages de Guerre has been open for subscription from May 28 to May 31. The first loan was floated in 1921 and the second last year, and in both cases the operation was a huge success. That the new loan will be largely over-subscribed is, says the *Echo de la Bourse*, practically a foregone conclusion. This speaks volumes for the patriotism of the people and for their thriftiness. The interest of 5 per cent. will be paid free of duty, and the bonds will be redeemed by monthly drawings at the rate of Fr.550, or by the winning of prizes of Fr.10,000, Fr.50,000, Fr.100,000, Fr.250,000, Fr.500,000 and Fr.1,000,000. The administration of the Fund is extremely economical, those engaged in the work receiving less than Fr.300 each in fees. In this way an immense part of the damage caused by the German invasion is being repaired, and the whole nation is bearing the burden of meeting the claims of those who have suffered losses pending the time that Germany makes restitution.

TRADE

FOREIGN TRADE RETURNS FOR MARCH.

The official returns of imports and exports for March show large increases as compared with the preceding month, while the adverse balance of trade is on the decrease as compared with the average for the first two months of the year. Imports totalled Fr.988 mill. as against Fr.801 mill., and exports Fr.713 mill. as against Fr.587 mill., the adverse balance of trade being Fr.275 mill. as against Fr.214 mill. in February and Fr.443 mill. in January. The advance over February, says the *Neptune*, is greater in respect of imports than of exports, notwithstanding an increase of 33 per cent. in the export of manufactured goods—Fr.437 mill. in March as compared with Fr.325 mill. in February. But the totals for February represent about 82 per cent. of the totals for March both as regards imports and exports, which shows that the trade balance for the latter month is actually quite as satisfactory as that for February. The best feature of the returns, however, is the simultaneous growth of both imports and exports, as evidence of the development of trade. At the same time the weight and nature of the goods has to be taken into account. As compared with February, the weight of imports in March shows a fall of 93,000 t., while in value they were Fr.187 mill. higher. As regards exports there was an increase in value of Fr.125 mill. for an increase in weight of 70,000 t. The average value of raw materials per ton was Fr.290 in March as against Fr.223 in February and Fr.218 in January for imports, and Fr.240 in March as against Fr.215 in February and Fr.167 in January for exports. As regards manufactured goods the average value per ton was Fr.2,830 in March as against Fr.2,280 in February and Fr.2,180 in January for imports, and Fr.1,170 in March as against

Fr.1,220 in February and Fr.1,000 in January for exports. Belgium's best customers in March were France (612,000 t., value Fr.160 mill.), England (159,000 t., value Fr.160 mill.) and Holland (219,000 t., value Fr.95 mill.). The Argentine comes next with 33,000 t., value Fr.30 mill., and the United States with 35,000 t., value Fr.29 mill. Germany, Switzerland, Italy and the Belgian Congo follow, but are of minor importance.

INDUSTRY

THE COAL OUTPUT IN APRIL.

The output of coal in April was 1,821,840 t. for 24 working days, as compared with 1,924,110 t. for 25 working days in March, and the stocks on the last day of the month stood at 147,290 t. as against 149,820 t. on March 31. The output is actually below the average monthly output in 1913 (1,903,640 t.), in spite of the fact that a new coalfield is being worked in the Campine, which already produces a good sixty thousand tons a month. Stocks, of course, are at their lowest, and are practically negligible when compared with 1913, when they amounted almost to a million tons. The production of coke, however, showed a substantial increase, 343,020 t. as against 332,530 t. in March, but that of briquettes amounted only to 138,510 t. as against 174,550 t. (*Moniteur des Intérêts Matériels*, May 18.)

COAL SUPPLIES FROM GERMANY.

From May 1 to May 10 the arrivals of coal, coke and briquettes from Germany aggregated 30,518 t., of which 23,612 t. came by rail via Montzen and 6,906 t. by water via Ruhrort. Moreover, 15,582 t. were ready loaded for transport at the latter date, including 5,135 t. of gas coal, 9,722 t. of bituminous coal, and 725 t. of flaming coal. The following table shows the quantities (in tons) of each kind of fuel received during the first ten days of the month :—

	By rail.	*By water.*	*Total.*
Gas coal	1,205	2,039	3,244
Flaming coal	3,095	—	3,095
Bituminous coal	8,348	4,027	12,375
Coal for industrial purposes	282	—	282
Non-bituminous coal ...	49	—	49
Mixed	—	840	840
Blast furnace coke ...	9,641	—	9,641
Lignite briquettes ...	992	—	992
Total	23,612	6,906	30,518

(*Moniteur des Intérêts Matériels*, May 25.)

GERMANY

FINANCE

NEW PRUSSIAN LOANS.

Subscriptions to two new Prussian loans, a Potash and a Rye Loan, were invited on May 11. The Potash Loan is in respect of 50,000 t. of potash, bears interest at 5 per cent. and may be bought for Mk.22,900 for every share representing 100 kg. of potash. The Rye Loan also bears interest at 5 per cent. and the issue price is Mk.57,000 for every share representing 1 ctr. of rye. The Potash Loan is divided into shares representing 100, 500, 1,000 and 10,000 kg., the Rye Loan into shares representing 1, 15 and 50 ctr. (*Frankfurter Zeitung*, May 9.) The *Vossische Zeitung* (May 18) reports that the Potash Loan has been so greatly oversubscribed that a second edition, also to the value of 50,000 t. of potash, is to be issued. The price will be Mk.27,000 for every share representing 100 kg., or Mk.270,000 per t., *minus* Mk.100 interest on every 100 kg. until the end of June. According to the *Deutsche Allgemeine Zeitung* (May 20) the Rye Loan has also been greatly oversubscribed, and a further 5 per cent. loan in respect of 200,000 ctr. of rye is to be issued between May 22 and 26, at the average price of rye quoted on the Berlin Bourse, the price not to exceed Mk.67,250 per ctr. minus Mk.250 share interest. The subscriber is thus well protected against an advance in the price of rye, and, as a matter of fact, the Bourse quotation on May 18 was Mk.76,000.

BERLIN RYE LOAN.

The Berlin loan of Mk.10 milliard already referred to is to be a Rye Loan, obtained by the leasing of municipal property to a group of financiers for 25 years in exchange for a fixed rate of interest payable in rye. The loan will also be redeemable in the form of rye. Mk.10 milliard corresponds to-day to about 20,000 ctr. of rye. With an interest obligation of 6½ per cent. and complete redemption within the specified period, about 16,400 ctr. of rye will have to be produced annually. (*Frankfurter Zeitung.*)

TRADE

IRON MARKET REPORT AND PRICES.

According to *Stahl und Eisen* for April the position on the iron market has not altered much. Business is not active, for although iron prices fell slightly, the fall in thin sheet was not sufficient to permit of competition with England. Neither England, Belgium nor America raised their prices to the degree expected in view of the rise in the price of semi-manufactures. Looking at the position broadly, there was great reticence on the part of purchasers, especially of dealers, within the occupied districts. There was much demand for hoop iron and rolled wire, of which there was a great shortage. Foreign business scarcely existed. Overseas countries covered their requirements increasingly in England and America, as the iron outputs of France, Germany, Belgium and Luxembourg have all sunk. The Central European iron-producing countries will have to make stupendous efforts when the present economic war is over if they are to recover their position on the world markets. The American pig iron output in March exceeded 3.5 mill. t., and was the biggest ever achieved, and still better results were expected in April.

The foundries are well supplied with ores, and the failure to improve the supply of home ores to the Rhineland and Westphalia did not signify very greatly. Home ores were much in demand, as the foundries in the unoccupied areas increased their pig iron output. The uncertainty in connection with the consignment of foreign ores increased considerably during the month, and the works were obliged practically to abandon their attempts to import them by way of the Rhine and to import them instead via the North Sea ports. These ports were, in consequence, heavily overcrowded. In the meantime, consignment of ore from them to the invaded areas has proved so difficult, that no further reliance can be placed on this mode of transit either. There is no question, therefore, of any continuous business in ores in Rhineland–Westphalia.

The pig iron market was much quieter. The Pig Iron Association was able to meet all the requirements of the unoccupied areas. The import of foreign iron is considerably less. The supply of the occupied districts with pig iron in May may be considered assured. For the first time for many months the Central German districts experienced no shortage of pig iron. Supplies were plentiful and came in part from abroad. Only the supply of certain special kinds of iron was unsatisfactory, of hematite for the manufacture of cast iron moulds, for instance. There was no shortage of ferro-manganese and ferro-silicon. The position of the Central German foundries is worse than ever. The reduction in prices effected in the course of the month

Germany

did not lead to the desired revival in business. The works are, however, still supplied with sufficient orders to last many months. The position of the iron construction works has not altered much. Buyers are holding back and working hours have had to be increasingly restricted. During the last few days the demand, especially in connection with large structural works at home, has improved, and increased activity is looked for on this market.

As from May 8 the prices of pig iron, ferro-manganese and ferro-silicon have been raised, and are now as follows :—

	April 1 Mk.	April 24 Mk.	May 1 Mk.	May 8 Mk.
Hematite	646,300	690,500	744,000	804,000
Foundry pig iron I	616,300	660,500	714,000	774,000
Foundry pig iron III	613,300	657,500	711,000	771,000
Ferro-silicon 10%	872,200	916,200	969,000	1,029,000
Openhearth pig iron poor in copper ...	646,300	690,500	744,000	804,000
Malleable pig iron	646,300	690,500	744,000	804,000
Luxembourg foundry pig iron ...	603,300	647,500	701,000	761,000
Siegerland open-hearth pig iron	843,700	843,700	844,000	844,000
Spiegeleisen 8–10%	939,600	939,600	940,000	940,000

These prices do not include the overprices of from Mk.9,200 to 46,100 in respect of hematite, and from Mk.2,800 to 13,800 in respect of hematite and foundry pig iron, in accordance with their respective phosphoric and silicon content. (*Deutsche Allgemeine Zeitung*, May 17.)

INDUSTRY

LEASING OF PRUSSIAN STATE MINES.

The draft of a Bill for the transfer of the administration and exploitation of the Prussian State mines to a limited liability company has been laid before the Prussian *Rat*. The State mines, foundries and salt works have for many years been working unprofitably, and it is hoped that by freeing them of bureaucratic control they can be more rationally exploited. The company will receive a certain grant from the State to enable them to carry on, and are, in return, obliged to employ their profits in renovating and improving the properties involved. The company will be called the Preussische Bergwerks und Hütten Gesellschaft, will have a life of one hundred years, and an original capital of Mk.2 milliard, of which the Prussian State will take over Mk.1.999 milliard and the Company Mk.1 mill. (*Neue Zürcher Zeitung*, April 25.)

COMMUNICATIONS

IMPORTANT CANAL CONSTRUCTION SCHEME.

The *Vossische Zeitung* (May 18) learns from Hamburg that a memorial has been presented to the Ministry of Transport by the Prussian Government together with the three Hanse towns, Lübeck, Bremen and Hamburg, proposing the immediate construction of a Hanse Canal in order to connect the Ruhr district and Rhineland–Westphalia with the German sea ports. The Hansa Canal Associations established have already appointed a financial committee, with Herr Max Warburg, of Hamburg, at the head, to examine the financial side of the question. The intention is to form a joint-stock company, and to divide the share capital into A shares to be taken up by the Reich and the Provincial Governments, B preference shares to be subscribed by the towns, banks, shipyards, etc., and debentures to be subscribed privately at home and abroad. The costs of construction would be about 150 mill. gold marks. Two experts have decided in favour of building the canal, and are of opinion that the canal dues can be made to furnish interest of 14.2 per cent. on the capital of Mk.15 mill. The dues would correspond to those on other large canals in Germany, the Mittellandkanal, for instance, and the traffic is estimated for the first year at about ten million tons—a very low figure. Freights and other charges would also follow those of the Mittellandkanal. It is estimated that the canal would result in a saving of 20 mill. gold marks in freightage annually, reckoning on the basis of the cheapest present mode of transit, i.e. by rail or viâ the Mittellandkanal and the Elbe. The *Berliner Börsen-Zeitung* (May 20) gives a few more details of the plan. The new canal is to cross the Dortmund–Ems Canal, and is then to go from the Rhine–Weser Canal, which connects with the Mittellandkanal, to Bremen and Hamburg. It will be 189 kilometres in length. The construction of the canal would to a great extent prevent Rhine shipping traffic from taking the path it now takes through Holland and Belgium, and would create what would amount practically to a German Rhine débouchure. Traffic conditions in the interior districts behind Hamburg and Bremen would also experience a considerable improvement. Their present shipping connections with the vital industrial areas, the Ruhr and Rhineland–Westphalia, leave much to be desired, and they have to depend entirely on rail transit for the consigning of goods from these areas.

JOINT AIR SERVICE COMPANY.

At an Air Conference which took place in Munich on May 9 and 10, a community of interests was formed under the title "Trans-Europa Union," for the working of the air routes Munich-Berlin and other trans-European lines. To the new undertaking belong the Astra Air Company, Zürich, the Oesterreichische Luftverkehrs A.-G., Vienna, the Hungarian Air Express in Budapest, Rumpler's Air Service in Munich, the Aero Lloyd, Berlin, and Junker's Works of Dessau. The headquarters will be at Zürich, the business control at Munich. The technical control has been assigned to the Junker Company of Dessau, whose all-metal airships will be used throughout the service. (*Berliner Börsen-Zeitung*, May 12.)

SOCIAL AND LABOUR CONDITIONS

THE COST OF LIVING.

The official average wholesale index number for April is 5,212, compared with 4,888 in March, viz. an increase of 6.6 per cent. Imported goods rose from 6,816 to 7,466 (+ 9.5 per cent.), home produce from 4,503 to 4,761 (+5.7 per cent.) A greater proportionate increase was registered during the first week of May; on the 5th of the month the index number representing all commodities stood at 6,188, compared with 5,738 on April 25, a rise of 7.8 per cent. During the same period food prices rose from 4,481 to 4,802 (+ 7.2 per cent.), industrial raw materials from 8,089 to 8,779 (+ 8.5 per cent.) Home produced goods rose from 5,141 to 5,364 (+ 4.3 per cent.), imported goods from 8,723 to 10,309 (+ 18.2 per cent.) (*Frankfurter Zeitung*, May 11.)

The *Frankfurter Zeitung* wholesale index number shows a rise for the period April 1 to May 1 of 28 per cent., compared with a fall of 11.5 per cent. for the period Feb. 1 to April 1. The rise experienced in April corresponds with a rise of 77 per cent. in the dollar parity. Compared with an index figure of 1, representing the wholesale prices of 98 commodities in the middle of 1914, the figure at the beginning of May was 8,237. For individual groups of commodities the index number was as follows on the latter date: Food and luxury goods, 7,003; textiles and leather, etc., 14,066; minerals, 10.186; industrial finished products, 5,903; various goods, 6,844. The index number representing the dollar rate at this time was 8,869. It will be seen that the textiles and leather group has risen the most (by 59 per cent. compared with March), and this notwithstanding a fall in the price of rubber and jute, which are included under this heading; cotton, wool, silk, hides and skins all rose

perceptibly. Food commodities showed the next sharpest rise (by 31 per cent. on the March figure), corn, rice, lard and margarine being the most affected; potatoes and eggs being home produce, did not rise so much and butter actually fell slightly in price. Minerals rose by 30 per cent. The group described as "various goods" only rose by 6 per cent.; in this group only machine oil, petroleum, benzin and benzol rose to any extent, printing paper and nitrates rose slightly, building materials, spirit and timber remained about the same, hard coal tar oil fell slightly. The index number of industrial finished products rose by 11 per cent.; in this group, insulating tubes and motor tyres showed a fall.

If foreign and home produce be examined separately, it will be seen that whereas the former rose in price, on an average, by 46 per cent. the index number representing rice, cocoa, coffee, cotton, jute, rubber, copper, tin, maize and petroleum standing at 8,919, the latter, taking into consideration rye, potatoes, eggs, hay, hides, nut-coal, burnt bricks, cement, 40 per cent. potash fertiliser and spirit, rose to only 6,621 or by 18 per cent. If a comparison be made of the wholesale and retail prices, it will be seen that the index number representing the price of 10 articles of consumption rose in April in the former instance by 24.3 per cent., in the latter by only 15 per cent. compared with March. The index number representing 20 goods of American origin fell from 158 to 148 (in this case 100 is taken as the unit representing the prices in the middle of 1914). Of these 20 goods, lead, zinc, turpentine and petroleum fell the most; iron, sugar and maize rose in price. (*Frankfurter Zeitung*, May 6.)

The further collapse of the mark on April 18 sent the prices of chemicals soaring again, and greatly impeded competitive power on international markets. Caustic potash rose in price from Mk.2,375 on April 3 to Mk.3,200 on April 30; caustic soda from 2,280 to 2,525; chloride of lime from 750 to 800; sodium sulphate (60–62 per cent.) from 1,300 to 1,500; calcined soda from 730 to 760; waterglass from 380 to 500; zinc white from 4,500 to 5,500; and potash lye from 1,325 to 1,725. The variations in the extent of the rise were due to the extent of demand. Caustic potash, for instance, was much in demand, but the supply was poor, so prices rose at once; caustic soda, on the other hand, was plentiful, and prices did not rise so much; again, potash lye was much in demand with a poor supply; there was no demand for calcined soda, but a good foreign trade in waterglass was done. (*Vossische Zeitung*, Apr. 7.)

New increased maxima have been fixed for cement. As from May 5 the price of 10,000 kg. of cement, exclusive of packing and freightage, is Mk.1,668,128 within the area of the North German Cement Union, compared with Mk.1,550,000 on April 20 and Mk.350 in 1914; Mk.1,654,528 (unaltered) within the area of the Rhenish-Westphalian Cement Union (Mk.350 in 1914); and Mk.1,710,128 within the area of the South German Cement Union (Mk.1,625,000 on April 20, Mk.350 in 1914). (*Deutsche Allgemeine Zeitung*, May 6.)

ITALY

FINANCE

MINISTERIAL STATEMENT ON THE FINANCIAL SITUATION.

The most important event of this period is the speech pronounced at Milan on May 16 by the Minister of Finance, Signor De Stefani, in the presence of the Premier and other Ministers on the financial situation and the Estimates for 1923–24, the substance of which is as follows:

Since coming into office his first care had been to increase revenue by extending certain taxes, abolishing unjustified exemptions, and repressing frauds on the revenue. He was satisfied with the progress made, since to the 600,000 payers of tax on personal estate, he had added 50,000 more who had previously evaded this obligation. The number of persons entered on the registers as liable to pay income tax on wages was 100,000, and that of agriculturists who had made declarations of their income 1,315,000 The new taxation policy consisted in keeping a vigilant eye on the pockets of the recalcitrant taxpayer. The revision of land values and the estimate of crops was proceeding within the prescribed period, and the revaluation of income from urban house property had been put in hand. The Government would carry out its undertaking to equalise as from Jan. 1, 1925, charges on real property. A more equal distribution of taxes between one commune and another and between one province and another would be introduced. He had equalised local taxes, as much to prevent an increase of the existing disparity as to protect the taxpayer. The Government would compel many communes and many provinces to revise their systems of rates. Local financial independence had its limits which must not be exceeded. The abuse of freedom to tax had seriously hampered the finances of the State at times by subordinating them in a certain measure to local finances. The classes of direct taxation had been reduced from thirteen to three—land, buildings and personal property independently assessed and aggregated with a general income tax. Certain excessive rates of taxation had been reduced, measures had been taken to expedite the assessment and payment of taxes, and agriculture had been compensated for the new taxes imposed upon it by a new Customs policy and a new policy of commercial treaties; increases of the burdens on real estate had been checked by rendering super-taxes uniform; the State had been relieved of the conduct of certain undertakings by which it had suffered loss; economy had been introduced into the management of State monopolies, and the proposal to impose dues which would increase the price of bread had been rejected.

Reduced expenditure had gone hand-in-hand with a stringent collection of taxes. The expenses of the army, navy and air services had been fixed at a figure 3 milliards less than the pre-war expenditure, and 338 millions less than the estimates given to the Chamber in November last. The Public Works estimates had been reduced by L.221 mill. compared with the previous Budget; the deficit on the working of the railways, estimated in November last at 654 mill., would be reduced to 374 mill. for 1923-24, a reduction of 280 mill.; and by a reduced expenditure of 180 mill. and increased earnings of 100 mill., to 264 mill. for 1924–25, and would disappear in 1925–26. The war pensions had reached their extreme limit of Fr.1,214 mill., and had already begun to decline. War damages would be assessed and discharged by certificates redeemable in 25 years bearing interest at 3½ per cent., and the distribution of which would be facilitated by a banking combine. Savings to the extent of about a milliard and a half would be effected in expenditure apportioned among the various departments as follows: Suppression of the national police rendered superfluous by the new conditions (formation of the Fascist police), 285 mill.; public works, 221 mill.; railways, 280 mill.; war estimates, 152 mill.; post office, 101 mill.; interest on the loans which would have had to be raised to meet the deficit as previously estimated, 100 mill.; Ministry of Finance and Customs service, 75 mill.; Ministry of Liberated Territory, 60 mill.; Ministry of Commerce, etc., 43 mill.; Ministry of Interior, 33 mill.; Education, 29 mill.; Agriculture, 23 mill.; Justice, 23 mill.; Colonies

Italy

14 mill.; Foreign Affairs, 3 mill.; various, 10 mill.; making in all a saving of 1,456 mill., to which must be added a saving of 78 mill. on the purchase of tobacco; and 65 mill. on the matches monopoly, which had been transferred to private enterprise, but against this should be set off a decline in revenue. The present expenditure estimates therefore show a reduction of L.1,598 mill. on the estimates laid before the Chamber last November. Against these savings must be set interest on the 750 mill. war damage certificates, 76 mill.; air service, 74 mill.; Fascist militia, 25 mill.; subsidies to shipping, 192 mill.—all of which had not been included in the November estimate. The deficit for 1923–24 is now estimated at 1,187 mill., as against the November estimate of 4 milliards, a reduction of 2,813 mill.

Exchange quotations showed a comparative stability of the Italian currency to the advantage of Italy's foreign trade. At the London Conference the Italian Government had succeeded in connecting the problem of Germany's reparations with that of the settlement of the debts between the European Allies, the two problems being interdependent. It was evident that Italy could only condone Germany's debt in the proportion in which her creditors condoned hers. The country awaited a general settlement of European debts to settle its debt to England. As regards the United States, Italy fully intended to meet her obligations. She only asked that the American Republic should extend to her wide facilities proportionate to those accorded to England.

The economic situation of the country had appreciably improved since November. It should be noted that there were no more strikes, and that interruptions in work, pretexts for which had been eagerly seized and, perhaps, invented, had disappeared. Italy was to-day a hard-working country, and production in all branches of industry was being steadily developed. Unemployment was on the decline, the foreign trade balance showed steady improvement, the State and commercial note circulation was diminishing, the prices of stocks and shares had risen, railway traffic showed continuous increase, and bankruptcies had been reduced to the number usual at the end of a crisis. (*Corriere della Sera.*)

SAVINGS BANK DEPOSITS.

According to the *Sole*, the operations of the Post Office Savings Bank during 1922 were the following (in millions of lire): Deposits 3,335.4, amount withdrawn 2,987.4, balance deposited 347.9, interest paid during the year 226.8, amount standing to the credit of depositors on Dec. 31, 1922, 8,147.6.

With regard to ordinary savings banks, states the same authority, deposits during December were L.851.8 mill., withdrawals 651.5 mill., amount standing to the credit of depositors on Dec. 31, 1922, L9,171 mill.

AGRICULTURE

DEVELOPMENT OF THE LABOUR MOVEMENT IN AGRICULTURE.

The following survey of the labour movement in agriculture is taken from an article on social evolution in Italy, in the *Revue des Mondes* (May 1), by M. Maurice Pernod, a student of Italian social questions.

The commercial and industrial middle class of the North, he writes, of comparatively recent formation, entirely lacked the spirit of combination and took no thought of organising itself. It occurred to none of its members to safeguard the interests of the middle class against the ever-growing menace of the organisation of the working classes. It did not realise that the proletariat was setting it an example of that organisation which constituted its enormous strength, nor that it depended on itself to imitate this example and make use of its organisation against the claims of the working classes, and the weakness of the Government. The first to organise an effective resistance were the landowners of the North East, some of whom united in 1904 to resist the demands of their labourers ("braccianti"), but the result of the contest tended to discourage them. However, the long strike in 1908 in the province of Parma compelled them once more to unite in a common cause, and under the leadership of the energetic Marquis di Carega, grouped into an association ("agraria") all the landowners of the province. Each member paid a subscription proportionate to the size of his property, undertook to follow the instructions of the Council of the Association and deliver to the treasurer a blank bill to be drawn against him in the event of a breach of his undertaking. All the "agrarie" combined to form an inter-provincial federation, whose function it was to assure unity of action, political and economic, and to keep up relations with the Government. The organisation was completed in 1908 by a mutual strike insurance society ("mutua scioperi") with its head office at Bologna. The labour leagues at first refused to treat with the "agrarie," asserting that the right of an association was the monopoly of the proletariat, but the landowners retaliated by refusing to conclude hiring or labour agreements with the unions, and they carried their point. The organisation of landowners spread within a few years over the greater part of the kingdom, successfully overcame the hard trials of 1910, and grouped round the owners of big estates a certain number of small owners and tenant farmers. After the war it set up its headquarters at Rome under the name of Segretariato Agricolo Nazionale, which controls over 200 associations representing about 200,000 agriculturists.

Italy is essentially an agricultural country, and the census of June 10, 1911, showed that out of 26.5 mill. Italians over ten years of age, more than nine million made their living out of agriculture, whereas industry employed less than five and commerce less than one. The agricultural population of Italy is divided into three classes, landowners, tenant farmers and "mezzadri" (tenants on a produce-sharing basis), and labourers. The number of small owners, which was 1,715,000 in 1911, has greatly increased during the past 10 years, the peasant there, as in France, having generally invested his war profits in land. Large estates are becoming rarer in the north and north-east, but are still very numerous in the south.

Tenancy at a money rent is less customary than tenancy on the basis of a division of produce, the proportion restored to the owner of the land varying according to the class of produce and to locality. The statistics for 1911 show 694,000 farmers at a money rent, 1,581,000 "mezzadri", and 4,215,000 hired labourers ("braccianti") of both sexes. The "mezzadri," settled on the land for generations, are a steady, orderly, and naturally conservative class. Their interest in working as hard as possible and in deriving the greatest amount of produce from the soil without exhausting it, renders them the allies of the landowners. The "braccianti," on the other hand, form a shifting class, often violent, indifferent to the results of their labour, and intent only on finding work at the highest wage obtainable. The conflicts which have of necessity arisen between "mezzadri" and "braccianti" have assumed their acutest and most characteristic form in Romagna, one of the richest and best cultivated regions of the country. The peasant of Romagna is intelligent, industrious, and greatly attached to his native soil; he is, at the same time, an ardent politician. The "mezzadro," of Romagna, is Republican; the "bracciante" Socialist. The former's republicanism is of a special kind, which tolerates the monarchical institutions of the country, and is strongly opposed to collectivism.

By 1910 the Labour Institutes had usurped the functions not only of the State, but of the church, and in one parish it celebrated marriages, pronounced divorces, and intervened in domestic disputes. The

"braccianti" were the first to organise, and lived in compact groups in villages on the outskirts of towns, whereas the "mezzadri" inhabited detached farm houses scattered over the country-side. The first Socialist leagues appeared between 1885 and 1890, and soon became rich enough to take on lease land belonging to the State, the province or the commune. This was the starting point of "collective leases" ("affitanze collettive") which later developed so highly. Socialist politicians saw the advantage to be gained from organised farm labourers and carried on a vigorous propaganda in Romagna. In theory, the Socialists attacked the rights of property and preached the partition of land among those who cultivate it; in reality, they incited the badly paid "braccianti" against the "mezzadri," the natural allies of the land owners. The "mezzadri" then felt the need of union, formed themselves into leagues, and founded Republican Institutes in opposition to the Labour Institutes. These institutes, which at first defended the "mezzadri" against the attacks of the "braccianti" soon began to assert the claims of the former against the landowners, and thus played into the hands of the professional agitators. From 1908 to 1914, the struggle continued; sometimes the "mezzadri" joined with the "braccianti" against the landowners, at other times they made common cause with the latter against the former. In the end, however, the "mezzadri" took advantage of their organisations to obtain a greater share in the management of their farms, but remained by tradition potential, when not actual, landowners. Enriched by the war, many of them divide their labour between their newly acquired land and the "mezzadria," which they have not given up. Others take definite rank as landowners. Thus the system of "mezzadria" has prepared the way for an agricultural lower middle-class, which may be called upon to play an important part in social questions. In the Romagna there is no question of this class deserting the land for the towns, but, on the contrary, a number of officials, barristers and small shopkeepers have purchased with their savings small plots of land which they farm themselves. At present this new class is inclined to extravagance, but the phase will soon pass. The "braccianti" class has evolved along different lines. The socialist propaganda has rendered them fanatical, and they are chiefly occupied in fomenting strikes and boycottings, and in hampering production, with the ultimate object of driving the owners from the land and in obtaining its distribution among the workers. A certain number of "braccianti," out of their wages earned during the war have bought land and gone to swell the ranks of the small landowners. With all their faults, the socialist agricultural organisations have done good work in that large tracts of waste land have been placed under cultivation by the co-operative societies of "braccianti," and important drainage and irrigation works have been carried out. The intervention of the State has caused all the mischief, since, by favouring, supporting and subsidising the "braccianti" organisations it reduced private enterprise to impotence. Finally the red leagues which obtained complete control of local administration exercised an unbearable tyranny until forcibly overthrown by the Fascist organisations. Agriculture in the south and in Sicily is faced with different problems from those in the north, as it is entirely dominated by the system of "latifundia," or large estates mostly owned by absentee landlords, and managed or mismanaged by local stewards, who oppress the peasants. In Sicily since the war, the peasants, under the influence of socialist ideas learned in the trenches, have forcibly seized the land, a notable case, which caused considerable sensation, being that of the Spanish Duke of Bivona, whose property, which he had never visited, consisting of 7 fiefs of from 1,000 to 2,000 hectares each, in the Ribera district was invaded and seized by the peasants. The Sicilian peasant, however, unlike his collectivist and even bolshevist colleague of the Romagna, is essentially individualist and conservative, and desires the land for himself alone. The collective leases in Sicily are only so in form, and once the contract is signed the land is divided up and each labourer cultivates his share in his own way without any control by his league.

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CENTRAL EUROPE

FINANCE

THE CZECHO-SLOVAK CURRENCY ACT.

The Czecho-Slovak Government has introduced a Bill for the protection of the currency which provides heavy penalties consisting of fine and imprisonment for all persons who, without business necessity, shall buy or sell foreign bills, currencies or precious metal with or for Czecho-Slovak currency and precious metal; or shall in ordinary legal business in home or foreign currencies or precious metal conduct such business in such a manner as from their professional knowledge or experience shall prejudice the Czecho-Slovak currency; shall manufacture and issue imitation currency or substitutes for currency. The Bill also authorises the Government, by order, to regulate dealings in foreign currencies and precious metal, to promulgate ordinances for the import and export of foreign currencies and Czecho-Slovak bank notes; to lay down special regulations for the granting of credits abroad and the acceptance of foreign credits in Czecho-Slovakia, and for dealings in currencies and security coming from abroad; to lay down how far firms and institutions authorised to accept money deposits shall be bound to dispose of foreign bills and currencies deposited with them. The Act comes into force 14 days from publication. (*Prager Presse.*)

SAVINGS BANK DEPOSITS IN CZECHO-SLOVAKIA.

During March deposits in the 198 Czech Savings Banks exceeded the withdrawals by Kr.78,435,423, those in the 171 German Savings Banks in Czecho-Slovakia showed a margin over withdrawals of Kr.23,397,171.

Central Europe

In 18 German Savings Banks the deposits of marks exceeded withdrawals by 77,931,777. The total increase of deposits for all Savings Banks was thus (inclusive of increases of 6 and 4 mill. kronen at Prague and Brno respectively) upwards of Kr.112,000,000 and 77 mill. marks. The total amount of all deposits in 371 Savings Banks was, at the end of March, Kr.9,213,996,000.

THE POLISH BUDGET.

The estimates for 1923 just introduced into the Polish Parliament contain the following figures (in 1,000 Polish marks) :—

	Receipts.	Expenses.	Deficit.
Administration ...	819,339	1,486,274	666,905
Undertakings	105,463	211,378	105,915
Monopolies	65,346	2,778	62,568
Total	990,148	1,700,400	710,252

(*Central European Observer.*)

TRADE

CZECHO-SLOVAKIA'S COMMERCIAL TREATIES.

Negotiations for a revision of the Commercial Treaty with France have been adjourned. Meanwhile the existing treaty has been prolonged to July 2.

A treaty with Belgium is under consideration, but the Belgian Government do not see their way to applying the most favoured nation clause to Czecho-Slovak ceramics, glassware and bent-wood furniture. A special Commission is to proceed to Brussels with the object of arriving at a settlement on this point.

A revision of Czecho-Slovakia's commercial treaties with Spain and Italy is also to be made in the near future.

A draft preliminary treaty with Norway has been drawn up and will probably be signed in the course of this month. The treaty with England, which is still in the negotiation stage, will be based upon the most favoured nation clause and will apply equally to the British colonies.

The commercial treaty with Japan will be signed before long.

Material is also being prepared with a view to the conclusion of treaties with Austria and Denmark. The treaty with Holland will be presented to Parliament for ratification in the course of the present session. A preliminary protocol regulating exports to and imports from Hungary was signed on the 10th of April last and will remain in force till the conclusion of a definitive treaty. A treaty with Lithuania has recently been concluded. (*Central European Observer.*)

CZECHO-SLOVAKIA'S FOREIGN TRADE.

The following foreign trade figures have just been published by the statistical bureau. *Imports.*—The imports for March amounted to Kr.801.523 mill. as compared with Kr.591.25 mill. in February, and Kr.430.86 in January. The trade balance for March and for the first quarter of the year is as follows (in millions of kronen) :

	March 1923	Jan.—March
Exports	901.9	2,551.4
Imports	801.5	1,823.6

In spite of the improved export figures for March, the trade balance is less than that of the preceding month owing to the large increase in imports, which, however, is due in the main to larger purchases of raw materials, such as cotton, wool, flax, silk, and tobacco. On the other hand foodstuffs show a decrease.

Imports.—The chief articles imported were (in millions of kronen) : cotton, 134.5 ; tobacco, 101.9 ; wool, 86.2.

During the first three months of the year the main imports have come from Germany (706 mill.), United States (175), Austria (109), Holland (88), Italy (67), Yugo-Slavia (62), Hungary (61), Poland (60), Great Britain (58), France (58), Rumania (44), Switzerland (35), Belgium (16) and other countries (282).

Exports.—The March figures show that the country's exports have further improved upon the January and February trade. The comparative amounts in weight and value are as follows :

	Jan.	Feb.	March
Quantity (in tons 1,000)	71	897	1,023
Value (in Kr. mill.)	776.19	873.36	901.90

The value of the March exports is thus Kr.28.5 mill. in excess of the figure for the preceding month and Kr.125.7 mill. more than that of January.

The exports to the chief countries for March and for the first three months of the year were (in millions of kronen) : Germany 231.8 and 539.3 ; Austria 158.9 and 510.3 ; Great Britain 100.3 and 281.9. The main articles of export for the same periods were (in millions of kronen) : coal and timber 187 and 495 ; sugar 162 and 352 ; cotton yarns 98 and 344. (*Central European Observer.*)

CZECHO-SLOVAKIA'S HOP EXPORTS.

Exports of Czecho-Slovak hops for the six months September 1922 to February 1923 are more than double those for the corresponding period of 1921–22. The last harvest produced 112,800 cwts., and the exports for the six months have been as follows :—September, 10,654 cwts. ; October, 23,370 cwts. ; November, 19,570 cwts. ; December, 11,412 cwts. ; January, 4,948 cwts. ; February, 2,651 cwts.—a total of 73,605 cwts. compared with 29,858 cwts. in the preceding season. Among the main buyers of Czecho-Slovak hops are Austria, France, Belgium, Germany, Italy, Sweden, U.S.A., South American States and Rumania. (*Central European Observer.*)

FAIRS IN CENTRAL EUROPE.

The next Samples Fair at Prague—the seventh of the series—will be held from Sept. 2 to Sept. 9 next. The Management have arranged to make further reductions in the charges for exhibit space. Intending exhibitors can obtain full particulars from the Samples Fair Offices, Staromestská Pradnice, Prague. (*Central European Observer.*)

The *Tribuna* states that the Nederlandsche Vereeniging voor Tentoonstellingsbelangen intends to set up a permanent exhibit of Dutch samples at Prague.

The Chamber of Commerce of Budapest is organising a samples fair. The same advantages as last year will be accorded to foreign visitors, viz., reduction of 50 per cent. on Hungarian railway rates, and on the rates of navigation shipping companies, and on the visas on the identity cards of visitors to the Fair, free information relating to lodgings, etc. (*Information.*)

INDUSTRY

HUNGARY'S CLOTH INDUSTRY.

Our Budapest correspondent supplies us with the following information on the Hungarian cloth industry :—

The prospects of Hungary's cloth industry are bright. Whereas in 1922, 200 looms were working, the number in 1925 will probably be 750. The necessity for importing cloth is gradually declining, since home production is becoming more and more capable of satisfying supply. The import of cloth was 34,329 quintals in 1921. The future organisation of the cloth supply promises an adjustment between imports and home production. Assuming that out of one quintal of cloth 60 costumes (at 50 kg. to the metre) can be made, the import in 1921 and 1922 afforded material for the manufacture of 2,060,000 and 2,340,000 costumes respectively. Home production, estimated at 500,000 metres in 1921 and at 1,400,000 in 1922, sufficed for the

manufacture of 155,000 and 437,000 costumes respectively. Taking also into account the import of ready-made clothing at 100,000 costumes in 1921 and 70,000 in 1922, in 1921 2,315,000 costumes, and in 1922 2,847,000 costumes or their material were at the disposal of consumption. According to the calculation made by the statistical publication, *Magyar Statisztikai Szemele*, Hungary of to-day contains 8 mill. inhabitants, of which 10 per cent., consisting of children of under 6, need not be taken into account. The needs of children of between 6 and 15 years, as well as of women, are computed at half those of men. Thus the cloth available in 1921 would have provided 49 per cent. of the men and 23 per cent. of the women, and in 1922 65 per cent. of the men and 32 per cent. of the women with cloth costumes. Before the war 9,079,000 costumes (made up and in the form of material) were consumed annually. These figures show that in 1922 the supply of cloth clothing in Hungary had nearly reached the pre-war standard. Finally it may be concluded from these figures that the import of cloth this year even if it does not decline will not increase. The population has now supplied its needs—considerably restricted by the war and revolution—so that the demand will be reduced. According to previous estimates, the Hungarian cloth industry will be able to double output during the current year. The various branches of the industry during 1922 worked up 1.5 mill. kg. of unwashed wool, but required the import of 440,000 kg. of washed wool and 350,000 kg. of yarn. These figures, reckoned in terms of washed wool (3 kg. unwashed = 1 kg. washed wool; 1 kg. yarn = 1.2 kg. washed wool), show that the home consumption of washed wool amounted in 1922 to 1,360,000 kg. The import of wool was specially necessary for the reason that Hungarian sheep's wool is only suitable for the manufacture of fine cloth, as wool for the rough kinds is not grown in the country. For this reason there is no prospect of supplying the demand for cloth in general by an increased home production. Capital, the spirit of enterprise, experts and skilled workmen, are alike wanting. The total output of cloth during the present year should amount to 2,600,000 metres, a result which will doubtless contribute to the amelioration of the foreign trade balance.

POLAND'S COAL OUTPUT.

Poland's coal output for 1922 as compared with 1913 (figures in brackets) is as follows (in millions of tons): Upper Silesia 25.7 (31.9); Dobrava 7 (6.8); Cracow 1.9 (3.9); total 34.8 (40.7).

While the output has thus sunk by almost 6 mill. t., the number of men at work has risen from 120,489 in 1913 to 209,784 in 1922—in other words, the output has diminished by some 14 per cent. while the number of workers has risen by over 74 per cent.

Exports during 1922 amounted to slightly over 34 per cent. of the total export, namely 11,697,000 t., the main destinations being: Germany, 8,150,826 t.; Austria, 2,806,443 t.; Danzig, 359,838 t.; Hungary, 266,674 t.; Czecho-Slovakia, 199,778. (*Central European Observer.*)

SOCIAL AND LABOUR CONDITIONS

INCREASED COST OF LIVING IN AUSTRIA.

The *Neue Freie Presse* deals in a leading article with the increase in prices and states that high prices have become the subject of much comment and caused a good deal of alarm. Especially incomprehensible is the difference between the wholesale and retail prices of commodities, so that the retail price of butter, for example, is Kr.3,000 per kg. higher than the wholesale price. The *Neue Freie Presse* expresses the opinion that this is the result of inflation. The public is waiting for the value of the currency to go up in the autumn, but there remain in the hands of the State masses of paper money in circulation, which only serve to raise prices. The problem must be solved if Austria is to continue in existence.

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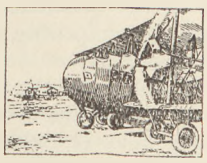

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INDEX NUMBERS IN CZECHO-SLOVAKIA.

Official figures for March show that there was a decrease in the Index for Group I (Foodstuffs, Fuel, Petroleum, Soap) of 0.8 per cent. and in Group II (Textiles, Footwear, Men's Hats) of 1.6 per cent. The following table gives some comparative figures:

	1922		1923	
	July	Dec.	Feb.	March
Group I ...	1,475	962	934	926
Group II ...	1,736	1,107	1,064	1,047

A drop in price is shown by eggs (22 per cent.), beer (3 per cent.), hats (3.4 per cent.), textiles (1.4 per cent.) and shoes (0.7 per cent.). The following commodities have risen: beef (4.1 per cent.), pork (1.4 per cent.), mutton (9.7 per cent.), butter (3.2 per cent.) and cabbage (13.6 per cent.). (*Central European Observer.*)

UNEMPLOYMENT IN CZECHO-SLOVAKIA.

Official figures issued by the Ministry of Social Welfare, notes the *Central European Observer*, show that the number of unemployed in March was 180,000 as compared with 203,674 in the previous month. Of these persons in direct receipt of unemployed pay in March 82,000 were men and 48,000 women. In addition to these, some 52,400 persons on short time were granted contributions by their employers. In March last year the number of unemployed was 40,285.

According to the *Lidové Noviny*, during January and February 1923, Kr. 104 mill. were expended in unemployment relief, although only Kr. 75 mill. were provided for with this object on the estimates of the Finance Minister. The Minister for Social Welfare will therefore shortly bring in a Bill for the increase of the grant for the remainder of the year of Kr.250 mill. (*Central European Observer.*)

SPECIAL ARTICLES

THE INTERNATIONAL CHAMBER OF COMMERCE AND INTERNATIONAL FINANCE

The following account of the proceedings of the Finance Section of the International Chamber of Commerce, which held its second congress in Rome from March 16 to 25 (the first took place in London in 1921), is supplied in the *Revue des Deux Mondes* (May 1), by M. Maurice Lewandowski, chief French representative at the financial section. Special importance attaches to the proceedings by reason of the views expressed by the American delegates on the questions of the economic reconstruction of Europe, comprising reparations, inter-allied debts and the possibility of American assistance. The International Chamber of Commerce, writes M. Lewandowski, by way of prelude, owes its origin to an inter-Allied conference held at Atlantic City in 1919. Its 18 national committees include no Government officials or politicians, but are composed exclusively of the most eminent men in commerce, industry and finance of each nation represented. The special feature of the new institution is that, being of American origin, the United States are much more strongly represented than any other nation, having sent 200 delegates to the Rome congress. When it is considered that the United States neither belong to the League of Nations nor participate either in the Supreme Council or the Reparations Commission, the advantages of a congress which affords the opportunity of learning on reliable authority the American point of view of the economic reconstruction of the world are easily comprehensible. The first President of the Chamber and one of the chief moving spirits in its foundation was the French Senator, M. Etienne Clémentel, a former Minister of Commerce, who in recognition of his eminent services to the institution has been accorded the title of President-Founder on his retirement in favour of of Mr. Willis H. Booth, the New York banker, who now becomes President.

Opening of the Congress by Signor Mussolini.

One of the chief attractions of the congress was the fact that it was opened by the Italian Premier, Signor Mussolini. Expectation was not deceived, as Signor Mussolini, who was believed to be somewhat contemptuous of old conservative formulas, presented to the assembly a classic programme of economic government in the following terms :—

"It is my firm belief that the State should abandon economic functions, especially those in the nature of monopolies, to which it is insufficiently adapted. I think that Governments who aspire to relieve quickly their countrymen from the crisis which has followed the war, should leave to private initiative the utmost liberty of action, and should abstain from all legislation in the nature of intervention or restraint, calculated no doubt to please the demagogues of the Left, but which, as experience has taught, has proved absolutely pernicious to the development of business. It is time to deliver all nations from the 'trappings of war' still remaining, and it is time to proceed to an examination of economic problems discarding the state of mind obscured by prejudice which prevailed during the war.

"I do not think that capitalism is near its fall, as some extreme theorists have long been pleased to declare. Our present experience, one of the most instructive in history, proves convincingly that all so-called collective economic systems, which disregard free initiatives and individual action, are doomed to failure.

But free initiative does not debar agreement between associations, all the easier when the defence of individual interests is conducted honestly. It is exactly this programme of investigation, equality and conciliation which the International Chamber of Commerce is endeavouring to frame. There is no doubt that Governments, mine, first of all, will consider, with the utmost care, the decisions arrived at by the Congress, and will accord to them the consideration which they deserve."

The Financial Section.

The Congress is divided into three sections: (1) Finance, (2) Industry and Commerce, (3) Transport. M. Lewandowski, while admitting the importance of the other subjects, claims that public attention was centred on the proceedings of the finance section. The American representatives included Mr. Willis H. Booth, Mr. Fred Kent (Vice-President of the Bankers' Trust), Mr. John Fahey (formerly President of the United States Chamber of Commerce), and Mr. Julius Barnes (the present President of that institution. Mr. Walter Leaf and Sir Felix Schuster represented England, and the writer, M. Lewandowski, France.

The minutes contained the following matters :— (1) Statement of the financial position of the different States ; (2) Consideration of the measures necessary to the reconstruction of Europe (inter-Allied debts, reparations, international loans, the exchange). M. Lewandowski prefers to avoid the nebulous atmosphere of the reconstruction of Europe and to confine himself to the study of subjects more directly affecting France.

The American Programme.

The sittings of the Congress would have had no greater interest than any other meetings of the same kind had not a debate of the highest importance transformed one of the resolutions into a regular international manifestation, laying down, by a solemn declaration of principle the basis of the economic reconstruction of Europe. The initiative is due to the United States representatives who did not hesitate to tackle the two great questions of inter-Allied debts and reparations, and to insist on the fact that to-day they were the key to all other questions, when measures for the revival of international trade were under discussion.

In order to understand the idea which underlay this resolution, it suffices to refer to the speech of Mr. Kent, the spokesman of the American delegates, which showed that a considerable section of public opinion in the United States had a clear comprehension of European problems in their relation to American interests. These views have even penetrated to the councils of the Government, where they find expression in the dictum of President Harding, "More business in government, and less Government in business." Mr. Kent proceeded to state his conception of the form of American participation in European affairs, which should be inspired neither by self-interest nor pure philanthropy, but should remain on practical ground. If the prosperity of the United States were entirely independent of that of Europe, there would be no reason for such intervention, but such is by no means the case, and Americans, farmers especially, begin to perceive the advantage of developing their relations with European countries, providing the purchasing power of the latter in the United States were restored. Mr. Kent pronounced the following opinion on the question of debts between the Allies, which is the chief subject of concern to Americans :

"If part of these debts could be cancelled on such terms as would place Europe on a proper economic footing a strong impulse would be given to the purchasing power of European countries, and America's income would increase, and the country gain in wealth. There is no doubt that every citizen of the United States would vote for the cancellation of the Allies' debt, provided it produced an accretion to the national income together with economic peace and greater happiness for the nations."

While negotiations are being conducted for the establishment of a compromise as to part of the debts

between the Allies, and for agreements calculated to secure an increased general prosperity for Europe, a binding settlement of the question of reparations must be concluded between the Allies and Germany. In raising this question, the close connection between which and that of the debts between the Allies he admitted, Mr. Kent did not dismiss the prospect of a German loan in the United States in order to facilitate, on certain terms, the settlement of reparations. He submitted on this subject important views, which although amply commented on by the Press, deserve to be made public in the terms actually stated. "No loan," he asserted, "could be placed at present in the United States, on the account of Germany; and probably not for several years, if it had to rank after reparations. No loan in which the United States took part, having priority over reparations, would be granted to Germany against the wish of the Allies and without their express consent. If a loan were granted on this basis, that it to say, on an undertaking from Germany as to payment of reparations, and accompanied by every guarantee necessary to the loan, any breach to such undertaking would ruin Germany's credit for generations to come. This fact would give to the agreement a greater force than that of even the clauses of the treaties, for the whole of commercial and industrial Germany would oppose any measure calculated to destroy her credit abroad, whereas a perverse policy could easily cause a rupture of all the treaties. A loan granted to Germany of an amount sufficient to enable her to restore her economic position on solid foundations, would enable her to proceed with the payment of reparations. *If such loan were made at the request and for the benefit of the Allied countries of Europe, it could without doubt be issued in the United States.*"

Mr. Kent saw clearly the difficulties in the way of this measure, but pointed out the means of overcoming them, which consisted in persuading public opinion in America, before the reopening of Congress in December, to accept the idea of co-operation with European nations in the revival of business throughout the world, which would have the result of inducing members of Congress, the only power entitled to authorise and instruct the Government to take action in the desired direction, to support this opinion, and thus the Government would be enabled to enter into negotiations, with the definite assurance that they would ultimately be sanctioned.

Mr. Kent then urged business men in all countries to organise a movement in favour of a constructive plan for the restoration of peace to the world, and announced that there was a powerful syndicate in the United States, including representatives of the United States Chamber of Commerce and its branches, 23,000 banks and bankers, and various high standing commercial and industrial enterprises, which, if it approved such a plan, had power to promote it in all parts of the country, and influence the economic policy of the Government.

The Resolution of the Financial Section.

After Mr. Kent's speech a sub-committee was formed to draft a resolution to serve as a basis for restoration of international trade, and which to some extent effected a compromise between the American idea which inspired it and the French point of view which could not allow any encroachment on France's legitimate rights or any discussion of the acts of its Government. The committee was composed of the following members: Mr. Willis Booth, Chairman, and Mr. Kent (representing the United States), Sir Felix Schuster (Great Britain), M. Lewandowski, the writer of this article (France), Signor Pirelli (Italy), M. Despret (Belgium), M. Westerman (Holland), and M. Marcus Wallenberg (Sweden). The principal terms of the resolution, which was passed unanimously, were the following:—

"The International Chamber of Commerce puts on record that the continuance of economic disorder through a considerable part of the world not only constitutes a dangerous obstacle to permanent peace, to the cessation of unemployment, and to the restoration of normal conditions of existence, but contains besides the germs of further lamentable crises. The problems at the bottom of the present economic disturbances are: (*a*) Reparations; (*b*) debts between the Allies; (*c*) uncontrolled budget deficits and inflation; (*d*) upheaval of international credits; (*e*) undue fluctuations of the exchange. The international Chamber considers that it is impossible to arrive at a durable settlement without recognising the interdependence of the different parts of the world's economic organisation, the futility of partial remedies, and the necessity of examining as a whole questions bound up the one with the other. The solution of the problem of reparations is a condition precedent to the permanent improvement of the world's economic situation. It is of the highest importance that the debtor should recognise the extent and moral character of his obligations, and that he should make restitution and reparation up to the extreme limit of his capacity by bringing into account all his resources external as well as internal.

"Although the debts between the Allies arising from the world war are undertakings honourably signed and cannot be repudiated, nevertheless, since they were contracted in a common cause and during a time of heavy sacrifice of life and property, a factor in settlement of these debts should be the capacity present and future of each debtor. In determining the capacity of payment of a debtor nation, reasonable account should be taken of the effect on its present and future revenue of a sound budget and of the economy to be made in the reduction of excessive military expenditure, a reduction rendered possible by the establishment of an assured peace and *by a settlement of reparation and restitution claims.*

"The International Chamber of Commerce considers that a general economic conference of the nations interested in the final settlement of these problems is essential and inevitable. The International Chamber of Commerce fully recognises that it would be inopportune at present to bring forward any suggestions for the settlement of the situation at present existing between the Allied nations and Germany. However, anticipating that at the proper time the various Governments may wish to rely on the practical experience of business men of the different countries, the International Chamber agrees to hold itself in readiness to give to the nations concerned the assistance which they may desire. Meanwhile the Chamber has decided to stimulate the business men of whom it is the mouthpiece to study attentively and continuously all the factors of the international financial problems which it has considered; and requests its members as well as Governments to accord the most serious consideration to such suggestions as it may take the liberty of offering.

"In consequence the Chamber invites its Council to appoint committees of investigation and to take all measures which may be found necessary for realising the schemes mentioned above"

M. Lewandowski intersperses with comments the above resolution, which for the sake of uniformity is here reproduced together. He notes that the United States, in the opening sentences, recognise that they are faced not only with a European problem, but with one which concerns the whole world. The mention of unemployment reveals the interest both of the United States and Great Britain. He naturally emphasises the sentence which enjoins upon Germany the recognition of its moral obligation of restitution and reparation, *and payment up to the limit of its capacity by marshalling its resources at home and abroad*, which he interprets as meaning that Germany must bring into account all German assets formed abroad, before, during and since the war, which amount to several milliards of gold marks. He appears to consider that the conclusion, beginning with the sentence referring to an international

Special Articles

economic conference, requires some explanation, and declares that it should not cause surprise seeing that it expresses American sentiments and the intention of American business men to co-operate in the solution of European problems. However, as the time for this has not yet come and as the great question of reparations and of inter-Allied debts is, in its present stage, of an essentially political character and within the exclusive province of the Governments concerned, the International Chamber of Commerce abstains from all encroachment on these preserves, and only offers its assistance if the experience of these business men is called into requisition.

The same spirit of reserve towards the terms of the resolution appears in the speech in which M. Lewandowski expresses the adherence of France to it. In this speech he reminded his audience that at first the opinion had prevailed that a discussion of this nature on political questions was not within the province of a Chamber of Commerce, and that no debate could be initiated on such a subject as reparations, on which the French Government had already taken its decision and assumed its responsibilities. But inasmuch as this question and that of debts between the Allies govern all the others, and moreover, as the resolution both in letter and in spirit contains an affirmation of the legitimate rights of France in all work of reconstruction, the French delegates were prepared to accept this manifestation of international understanding.

GROWTH OF THE INTERNATIONAL CABLE SYSTEM

Wirtschaft und Statistik has published a short statistical account of the development of the international submarine cable system, in which the following points are worthy of reproduction :—

In 1851 the first submarine cable between Dover and Calais was brought into public service. There were in existence, throughout the world : In 1860, 2,400 kilometres · in 1870, 24,000 ; in 1880, 78,000 ; in 1890, 211,000 ; in 1900, 320,000 ; in 1903, 412,000 ; in 1908, 464,900 ; in 1910, 466,000 ; in 1911, 499,600 ; in 1913, 519,300 ; in 1922, 590,200 kilometres. These figures show that the system continued to be developed after the war. In 1922 the number of cables in existence was 3,566 ; the distance they covered, viz., 590,183 kilometres, to be exact, represented 14.7 times the circumference of the earth. Since 1913 the number of cables has augmented in a greater degree than their length. The average length sank from 202.6 kilometres in 1913 to 165.5 in 1922. By far the greater number of submarine cables is in the hands of private companies ; the remainder, for the most part the shorter lines, are State property. The State owned cables have, both as regards number and length, increased in greater proportion than the privately owned ones. In 1913 the number of State owned cables was 2,152, covering a distance of 93,485 kilometres ; in 1922 the number of cables had increased to 3,092, the distance covered to 141,223 kilometres. The privately owned cables numbered 411 in 1913 and covered 425,861 kilometres ; in 1922 they numbered 474 and covered 448,960 kilometres. The State owned cables, therefore, had increased in number by 43.7 per cent. and in length by 51.1 per cent. The privately owned cables had only increased in number by 15.3 per cent., and in length by only 5.4 per cent.

The most important long-distance submarine cables established since 1913 are : The Fayal (Azores) to Halifax cable of 3,900 kilometres, ready for use in 1917 ; the Ascension Island (South Atlantic) to Rio de Janeiro cable of 3,900 km., ready in 1919 ; the Peterhead (Great Britain) to Archangel cable of 3,600 km., first used between 1915 and 1917 ; the Aden to Bombay cable of 3,400 km., ready in 1920 ; the Madras to Singapore cable of 3,200 km., ready in 1921 ; the Miami (Florida) to Barbados cable of 3,000 km., first used between 1920 and 1922 ; and the Singapore to Hong Kong cable, of 2,800 km., ready in 1914. Various other cables of shorter length have also been established, on the coast of South America, for instance. Since 1913 most countries have been constructing cables actively. Holland takes the first place, with an increase in her cable system amounting to 114 per cent., the pre-war distance covered being 6,177 km., that covered in 1922, 13,230 km. Italy comes next with 5,833 km. of cable in 1922 compared with 3,024 km. in 1913—an increase of 93 per cent. ; then Sweden, which has increased her cable system from 557 to 907 km.—an increase of 63 per cent. ; next Japan with 14,487 km. compared with 9,114 km. in 1913—an increase of 59 per cent. Norway and France follow fairly close with increases of 55 and 49 per cent. respectively.

Great Britain owns the largest cable system in the world. Her system in 1922 covered a total distance of 272,398 km., showed an increase in length of 4 per cent. on the 1913 figure, and formed 46.2 per cent. of the total submarine cable system. The United States own the next largest expanse of cable with 141,282 km., or 23.9 of the total system. France comes third on the list with 65,030 km., or 11 per cent of the total system ; this figure includes the cables in her Asiatic and African colonies. The fourth place is filled by the Pacific Cable Board, which owns 17,426 km. of cable, and is the joint property of Great Britain, the Australian Commonwealth, New Zealand and Canada ; it possesses the longest cable in existence, which in 1902 covered 6,400 km., and ran from Vancouver to Fanning Island in the Pacific Ocean. Germany, which, before the war, occupied the third place on the list with 114 cable lines covering 43,300 km., has now, by reason of the Versailles Treaty, lost about 37,000 km., or 93 per cent. of her cable system. The surrendered lines are to be divided between the Allies, but no satisfactory division has yet been made. In 1922 Germany's cable system consisted of 108 State-run cables of 3,275 km. This system had been enlarged in the autumn of 1921 by the laying of a new German-Swedish line between Zarrenzin and Trelleborg. The private cable companies in Germany have retained coastal cables to the extent of about 4,446 km.

EUROPE'S SHARE IN AMERICAN IMPORTS

An article by O. P. Austin, of New York, in the *Neue Zürcher Zeitung*, deals with the extent of European imports to the United States since the introduction by the latter of new increased Customs tariffs. The recently published American foreign trade statistics reveal the fact, states this writer, that notwithstanding the fears expressed before the new tariffs were introduced, the requirements of the United States in European goods have augmented, and that European imports again form a much larger percentage of the total imports. This is very evident from the detailed statistics of imports received in October and November 1922, the first two months after the establishment of the new tariff. The tariff actually came into force on Sept. 21, and the following figures therefore include the imports for the last ten days of September. Total imports from Sept 21 to Nov. 30 amounted in value to $637 mill., of which $211 mill., or about 33 per cent., was in respect of European imports, compared with 30 per cent. in 1921, 23 per cent. in 1920 and 20 per cent. in 1919. The share of Europe in the American import trade reached, with this figure, the highest value since 1915. Before the war Europe participated in this trade to the extent of 50 per cent. During the eleven months January to November 1922 European imports formed 32 per cent. of all the American imports, and there is therefore no doubt that the percentage share of Europe in American

trade during the whole of 1922 will prove to be greater than in 1915.

If the imports to the United States from individual European States during November 1921 and November 1922 be compared, we find that nine-tenths of all the European lands increased their exports to this country during the latter month. The imports from Germany, for instance, amounted in value in November 1922, to $10,246,000, compared with $5,913,000 in the corresponding period of 1921; the value of the imports from Great Britain was $33,722,000, compared with $21,887,000 in November 1921. Similarly, the figures in respect of Holland were $6,203,000 and $4,915,000; Belgium, $4,829,000 and $3,534,000; Greece, $1,962,000 and $1,193,000; Italy, $6,766,000 and $5,607,000; Spain, $3,831,000 and $3,710,000. The value of the imports to the United States from Sweden and Norway increased from $2,031,000 and $892,000, respectively, in November 1921, to $4,909,000 and $1,927,000 respectively in November 1922. Imports from Denmark, on the other hand, fell off slightly in value, viz., from $587,000 to $426,000. The Swiss and French imports to America also showed a decline in value; $2,911,000 represented the value so the Swiss share in European imports to the United States in November 1922, as compared with $3,429,000 in November 1921, and the French imports fell in value from $13,929,000 to $12,226,000. The total value of European imports to the United States amounted in November 1921 to $70,253,000, and in November 1922 to $94,630,000, i.e. an increase of 35 per cent.

RECENT PUBLICATIONS

[*The mention of a book under this heading does not preclude its review in a later issue.*—ED.]

The Next Step: a Plan for Economic World Federation. By Scott Nearing. (The Labour Publishing Company, Ltd., 2s.) This handy little volume of less than two hundred pages is dedicated "to the task of emancipating the human race from economic servitude." The goal aimed at is the federation of the economic activities of the world "in such a way that all the economic problems of world concern will be brought under some central authority which is representative of the various interests involved at the same time that it controls the disposition of economic life," and this object is to be attained by the institution of "a world parliament composed of representatives elected by the workers in the various producing groups." This, the author believes, "would furnish the means of directing the economic experiments of the race." The argument is worked out through three sections sub-divided into eight chapters, to which are appended a few suggestions as to works that might usefully be read for the further elucidation of the question, naturally from the writer's own point of view. The volume, however, is sufficiently interesting to call for further notice.

Official Year Book of the Commonwealth of Australia, 1922. Prepared under instructions from the Minister of State for Home and Territories by Chas. H. Wickens, F.I.A., F.S.S., Commonwealth Statistician. Editor, John Stonham, M.A. Pp. xxxviii+1,132. (By Authority: Albert J. Mullett, Government Printer, Melbourne. —London: Australia House, Strand, W.C. 2. Paper, 3s. 6d.; cloth, 4s.) The fifteenth issue of this exceedingly valuable book of reference, replete with information on every department of Commonwealth and State organisation, is as usual a notable improvement on previous editions. It contains the full text of the Commonwealth Constitution Act and Amendments, a chronological table of the chief events since the establishment of settlement in Australia, a list of Commonwealth and State statistical publications, and a bibliography of recent works on Australia. The special article this year is on "Decimal Coinage," and we also welcome the conspectus of all Acts relating to weights and measures. The former sections dealing with "Industrial Unionism and Industrial Legislation" and "Labour and Industrial Statistics" have now been combined into one section under the title of "Labour, Wages and Prices." The whole of the information here has been re-cast and much new matter added, including a reference to the inclusion of the cost of clothing in the determination of the purchasing power of money. Particularly illuminating is the sub-section on retail prices, house rents and cost of living, supplying as it does valuable information on the method adopted for the computation of the index numbers (in marked contrast to the mystery in which the compilation of similar returns is involved in this country and abroad), on the scope of the investigation, on the commodities and requirements included, and on variations in the purchasing power of money in each of the metropolitan towns in respect of food and groceries, house rent, and both these groups combined. The matter is further elucidated by the inclusion of a map showing the situation of—and a table giving (*a*) index numbers for food, groceries and rent of five-roomed houses, (*b*) index numbers for food and groceries only, in each of the 150 leading towns in November of each of the years 1913 to 1921 in relation to the distribution of population, the relative density of which is clearly indicated by graded markings in the map. Other valuable sections deal with Land tenure and settlement, Manufacturing industries, Commerce, Commonwealth finance, State finance, Private finance, and General Government. In every way an indispensable work of reference and, compared with our own official publications, remarkably cheap.

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FOREIGN BANK RATES.

	Per cent.		Per cent.
Amsterdam	4	Madrid	5
Athens	6½	Moscow	6
Belgrade...	6	New York	4½
Berlin	18	Paris	5
Brussels	5½	Prague	5
Bucharest	6	Reval	—
Budapest	12	Riga	—
Christiania	6	Rome	5½
Constantinople	—	Sofia	6½
Copenhagen	6	Stockholm	4½
Geneva	3	Vienna	9
Helsingfors	8	Vilna	—
Lisbon	8	Warsaw	7

☞ *In order to avoid delay in the delivery of Foreign Papers, attention is drawn to the change of address of* THE ECONOMIC REVIEW, *the Business and Editorial Offices of which are now at 6, John Street, Adelphi, London, W.C.2.*

STATISTICAL SECTION

THE TRADE BAROMETER

EXPLANATION

There are obvious objections to the multiplication of Index Numbers ; but THE ECONOMIC REVIEW claims a double justification for adding to the list. In the first place, a weekly index should be of greater practical value than an index which is made up monthly and published in arrear. In the second place there is room for an index number which, instead of covering a wide field for the sake of representing the general level of all commodity prices, sets out to reflect the prevailing tendency of prices as exemplified in a small number of particularly sensitive commodities. The Harvard University Committee of Economic Research has recently shown that in America an index number devised to forecast price movements can safely be based on a small selection of price quotations, provided the commodities chosen are those which most accurately and rapidly reflect the trend of the general price level.

The closeness of the correspondence between movements of THE ECONOMIC REVIEW index and those of the *Economist*, *Statist* and Board of Trade gives some ground for believing that an adequate index for the United Kingdom can be based on a small number of commodity prices, and can therefore be taken weekly instead of monthly. The divergence of our index from the others at the top and bottom of the price cycle perhaps gives ground for hoping (though the point cannot yet be said to be definitely established) that we have chosen constituent elements which will give an earlier indication than the other index numbers of a change in the direction of the movement of prices.

Our index is composed of quotations for the ten following commodities :—

1. Pig iron
2. Tin
3. Coal
4. Linseed oil
5. Cotton
6. Wool
7. Hides
8. Wheat
9. Bacon
10. Sugar

The fact that *relative* commodity price changes may be under present conditions as important as changes in the general level of prices is now gaining more general recognition. In addition to Table I, which shows the movements of our ten commodities in the aggregate, we therefore give in Table II a record of the movements of each of them in relation to the others. For this purpose we have chosen December 30, 1921, as our base, the price of each commodity on that day being represented by 100 (at a time when the index in Table I stood at 150).

TABLE I.

Date	10 Commodities	Bd.of Tde. Monthly Average	Date	10 Commodities	Bd.of Tde. Monthly Average	Date	10 Commodities	Bd.of Tde. Monthly Average	Date	10 Commodities	Bd.of Tde. Monthly Average
1920.											
Jan. 16	367.9	296.6	Mar. 3	148.4		Nov. 3	170.1				
Feb. 13	367.6	310.3	10	148.4		10	170.1				
Mar. 19	396.9	319.0	17	149.8	160.0	17	169.3	157.6			
Apr. 16	384.6	325.2	24	149.4		24	168.2				
May 14	391.2	325.5	31	149.8		Dec. 1	167.4				
June 18	417.7	322.4	Apr. 7	150.3		8	161.5				
July 16	418.8	316.9	14	151.7	160.1	15	161.2	155.7			
Aug. 13	386.8	313.1	21	154.1		22	162.2				
Sept. 17	379.4	311.4	28	154.6		29	162.6				
Oct. 15	328.6	302.3	May 5	157.8		1923					
Nov. 19	293.0	286.9	12	159.9		Jan. 5	162.4				
Dec. 17	257.0	263.8	19	162.1	160.6	12	162.8				
1921			26	163.3		19	163.2	157.1			
Jan. 14	244.2	245.9	June 2	162.9		26	165.3				
Feb. 18	219.1	225.2	9	164.9		Feb. 2	166.9				
Mar. 18	199.0	210.8	16	163.6	159.9	9	168.7				
Apr. 15	202.8	204.8	23	164.8		16	177.2	157.6			
May 12	204.3	201.7	30	162.4		23	181.1				
June 17	201.8	197.7	July 7	164.7		Mar. 2	184.8				
July 15	194.4	194.1	14	165.1	160.3	9	188.2				
Aug. 19	178.1	190.0	21	165.8		16	192.4	160.3			
Sept. 16	183.4	187.0	28	167.3		23	189.3				
Oct. 14	170.2	180.7	Aug. 4	168.1		30	188.9				
Nov. 18	154.5	172.8	11	165.9		Apr. 6	192.2				
Dec. 16	153.2	167.9	18	164.0	156.3	13	197.4	161 4			
Dec. 30	150.0		25	166.1		20	198.5				
1922			Sept. 1	163.4		27	202.9				
Jan. 6	148.1		8	160.4		May 4	198.7				
13	148.7		15	161.2	154.3	11	197.5				
20	144.0	164.0	22	158.6		18	198.1				
27	141.3		29	158.8		25	197.6				
Feb. 3	142.3		Oct. 6	159.8							
10	147.0		13	161.2	155.2						
17	149.2	161.8	20	162.8							
24	149.7		27	165.9							

CHART ILLUSTRATING TABLE I.

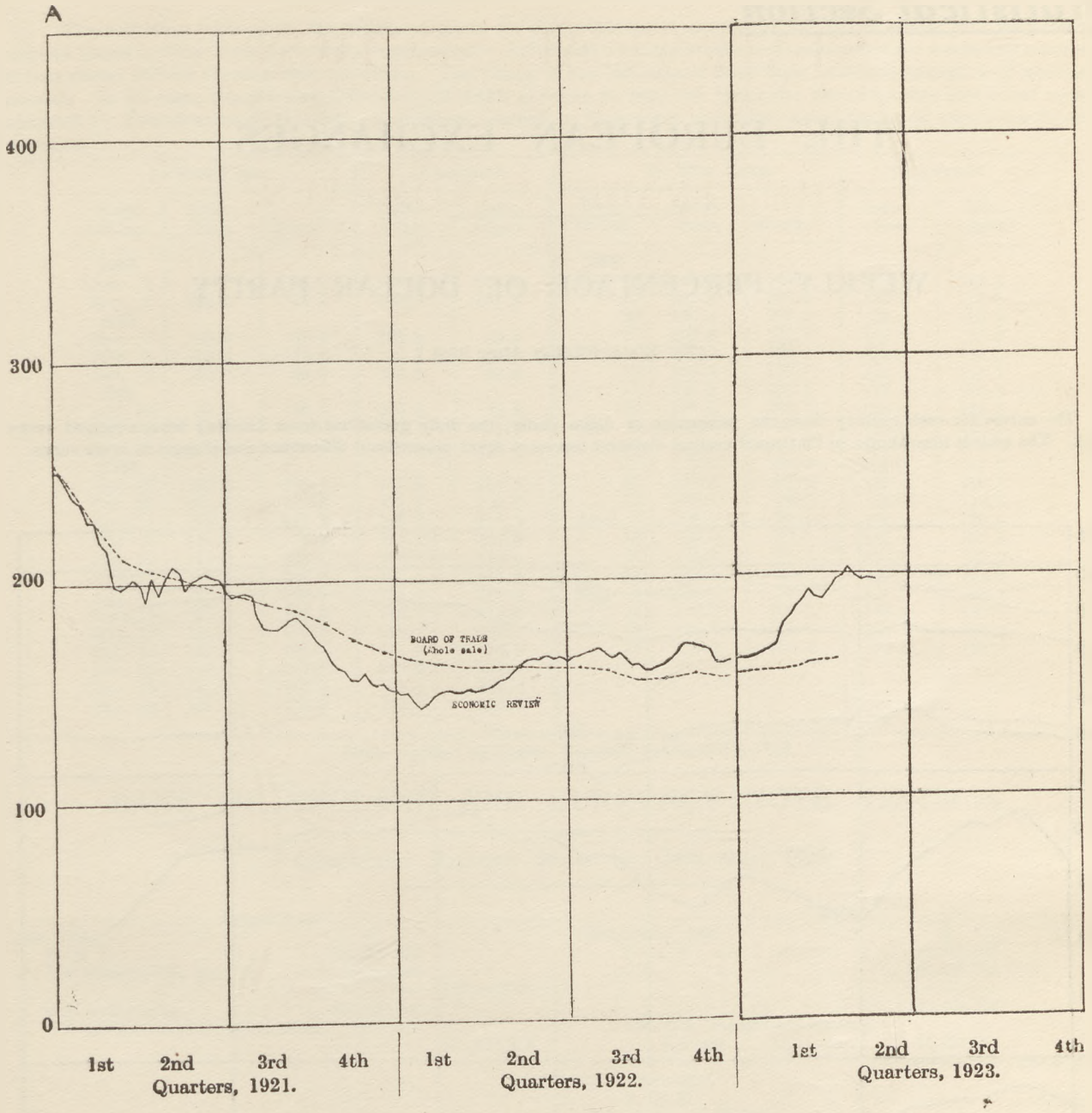


TABLE II.

Date.	Pig iron.	Tin.	Coal.	Linseed Oil.	Cotton.	Wool.	Hides.	Wheat.	Bacon.	Sugar.	Mean.	Date.
Dec. 30, 1921	100	100	100	100	100	100	100	100	100	100	100	Dec. 30, 1921
1922												1922.
Jan. 27 ...	90.6	90.5	92.4	108.8	85.3	100.0	82.6	101.1	94.4	96.1	94.18	... Jan. 27
Feb. 24 ...	101.4	85.3	94.3	136.9	90.0	106.7	76.8	106.4	104.4	94.1	99.77	... Feb. 24
Mar. 31 ...	94.3	84.2	93.4	126.3	90.3	106.7	87.0	116.2	97.1	103.8	99.93	... Mar. 31
Apr. 28 ...	92.9	89.4	89.6	149.1	87.9	106.7	78.3	113.5	115.8	107.7	103.09	... Apr. 28
May 26 ...	99.1	89.2	88.7	155.3	101.1	115.6	89.9	123.8	118.4	107.7	108.88	... May 26
June 30 ...	92.9	90.4	81.1	152.6	111.7	111.1	91.3	117.7	114.4	119.2	108.24	... June 30
July 28 ...	92.9	94.5	97.2	157.9	110.1	111.1	97.1	119.0	116.5	119.2	111.55	... July 28
Sept. 1 ...	92.4	93.8	94.3	121.1	113.9	111.1	92.8	108.9	112.8	148.0	108.91	... Sept. 1
„ 29 ...	94.3	95.2	92.9	135.1	105.9	117.8	96.4	82.8	104.0	134.6	105.90	... „ 29
Nov. 3 ...	95.5	107.5	100.0	140.3	119.9	133.3	106.5	91.9	104.8	134.6	113.43	... Nov. 3
Dec. 1 ...	95.5	102.6	94.3	136.9	121.5	133.3	107.2	93.9	96.3	134.6	111.61	... Dec. 1
„ 29 ...	89.4	106.7	91.5	138.6	126.0	120.0	93.5	90.4	89.7	138.5	108.43	... „ 29
1923												1923
Jan. 19 ...	91.3	106.1	95.3	135.1	132.4	122.2	93.5	91.7	89.7	130.8	108.81	... Jan. 19
Feb. 16 ...	100.5	114.7	105.7	143.9	131.4	120.0	89.1	90.1	89.7	196.2*	118.13	... Feb. 16
Mar. 16 ...	113.2	139.6	141.5	143.9	138.9	124.4	94.2	88.6	84.2	214.4	128.29	... Mar. 16
„ 30 ...	113.2	131.8	133.0	150.9	125.5	124.4	91.3	89.3	88.2	211.5	125.91	... „ 30
Apr. 6 ...	113.2	130.6	132.1	161.4	127.8	124.4	95.7	90.9	88.2	217.3	128.16	... Apr. 6
„ 13 ...	113.2	131.2	131.1	179.9	133.1	124.4	97.1	91.7	88.2	226.0	131.59	... „ 13
„ 20 ...	113.2	125.4	132.1	182.5	128.7	124.4	97.8	92.5	88.2	238.5	132.33	... „ 20
„ 27 ...	113.2	126.6	132.1	182.5	130.4	124.4	100.0	94.1	88.2	261.5	135.30	... „ 27
May 4 ...	110.8	127.4	130.2	171.9	125.6	137.8	102.1	97.2	91.2	230.8	132.50	... May 4
„ 11 ...	110.8	122.5	128.3	159.6	121.4	137.8	101.4	101.2	91.2	242.3	131.65	... „ 11
„ 18 ...	110.8	117.9	128.3	166.7	120.2	137.8	102.9	102.7	91.2	242.3	132.08	... „ 18
„ 25 ...	108.5	115.6	122.6	166.7	128.6	137.8	102.9	103.6	84.6	246.2	131.71	... „ 25

*Revised Quotation.

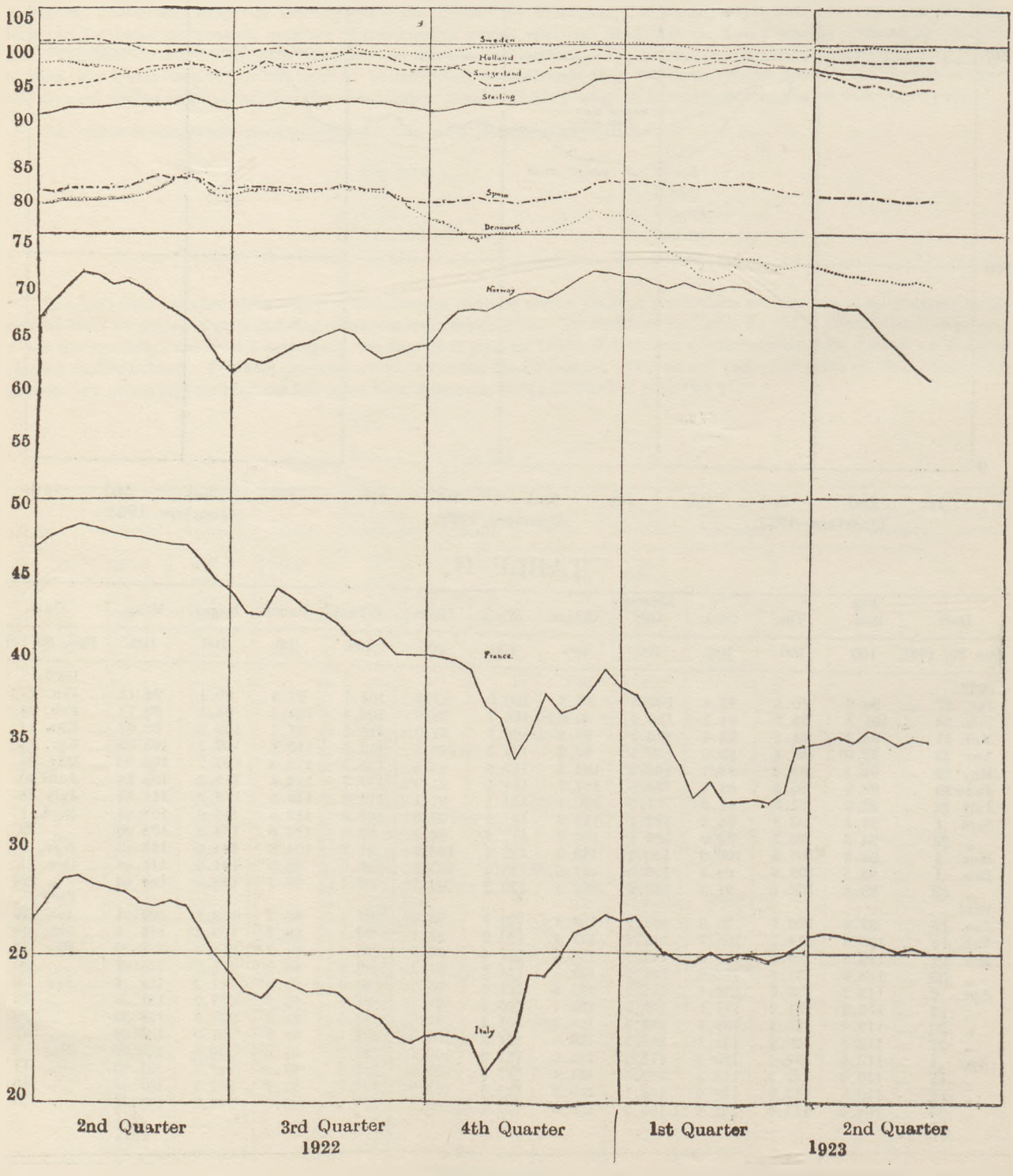
Statistical Section

THE EUROPEAN EXCHANGES

WEEKLY PERCENTAGE OF DOLLAR PARITY

(To Week Ending May 26th.)

The curves for each country show the percentage of dollar parity, the daily quotations (over London) being averaged every week. The scale is logarithmic, so that equal vertical distances represent equal *proportional* differences and changes in every curve.



SECURITY PRICES.

The following table gives the course of prices for a representative number of industrial stocks and long-dated railroad bonds in New York, for twenty representative industrial ordinary stocks in London, and for a selected number of long-dated British Government securities. The prices of the last-named have been averaged exclusive of accrued interest. In all cases the price at December 30, 1921, is taken as 100, this being the base for other statistical series compiled by THE ECONOMIC REVIEW. Significant maximum figures are shown in heavy type and minimum figures in italics.

IN NEW YORK.			IN LONDON.		IN NEW YORK.			IN LONDON.	
Week ending.	Industrials.	Bonds.*	Industrials.	Gilt-edged.	Week ending.	Industrials.	Bonds.*	Industrials.	Gilt-edged.
1919					**1923**				
Jan. 1	—	**98.4**	147.8	**114.4**	Jan. 6	120.5	102.8	122.1	113.5
Nov. 1	**140.8**	92.5	172.6	101.5	13	122.2	102.6	122.3	114.0
1920					20	120.4	102.0	123.3	116.8
Mar. 1	116.0	87.8	**186.6**	93.4	27	120.8	101.1	122.2	115.8
July 1	113.6	*82.4*	149.1	92.3	Feb. 3	122.5	102.1	122.2	114.8
Dec. 1	92.2	89.6	130.1	*88.6*	10	125.4	102.1	122.5	115.1
1921					17	127.3	101.6	123.2	115.6
Aug. 20	*80.3*	90.4	105.4	93.8	24	126.8	101.1	126.4	116.2
Oct. 20	91.1	92.0	*91.1*	94.4	Mar. 3	128.6	99.8	129.5	116.3
Dec. 31	100.0	100.0	100.0	100.0	10	128.0	99.5	128.9	116.5
1922					17	129.2	98.5	129.3	117.0
Jan. 28	100.8	102.1	102.3	104.4	24	127.3	97.8	129.0	118.1
Feb. 25	105.2	100.8	103.6	109.0	31	126.7	98.0	128.4	118.5
April 1	109.8	101.5	103.5	112.2	April 7	126.4	98.1	129.9	120.4
May 13	114.6	102.4	114.9	**117.9**	14	125.9	98.7	131.2	120.8
June 17	112.8	102.7	114.4	112.4	21	124.7	99.4	134.6	121.2
July 15	117.6	106.5	111.6	115.4	28	124.1	99.3	137.9	122.9
Aug. 19	122.1	105.7	114.0	116.0	May 5	119.3	99.2	137.5	123.1
Sept. 16	123.8	**107.6**	115.2	112.5	11	117.6	100.0	133.4	122.5
Sept. 30	121.2	105.8	113.2	*112.0*	18	116.8	100.6	131.9	121.8
Oct. 14	**127.6**	104.4	114.5	112.3	25	120.2	101.6	131.0	121.7
Nov. 25	*114.4*	102.0	115.0	115.4					
Dec. 16	121.1	103.1	116.1	113.8					
Dec. 30	121.7	102.5	119.5	113.3					

* Prices supplied by Messrs. Bernhard Scholle & Co., Ltd.

BANK OF ENGLAND AND CURRENCY NOTE RETURNS.

Combined Balance Sheet for 24th May, 1923.

LIABILITIES.	£	£
Notes Issued.		
B. of E.	145,447,975	
Less those in C.N. Reserve ...	22,450,000	
		122,997,975
C.N. outstanding	286,440,340	
C.N. called in but not yet cancelled	1,478,922	
		287,919,262
Ratio of Gold to Notes ...	37.2%	
„ Gold & Silver to Notes	38.9%	
		410,917,237

ASSETS.	£	£
Government Debt.		
B. of E.	11,015,100	
C.N.	243,449,262	
	254,464,362	
Less C.N. Investment Reserve Account	12,164,535	
		242,299,827
Other Securities.		
B. of E.		8,734,900
Gold Coin and Bullion.		
B. of E.	125,697,975	
C.N.	27,000,000	
C.N. Balance at B. of E.	184,535	
		152,882,510
Silver Coin		7,000,000
		410,917,237

Summary of Combined Balance Sheets.

January 1922 to date.

Date. End of	B. of E. Notes *less* those in C.N. Reserve.	C.N. outstanding inc. called in but not cancelled.	Total.	Gold.	% of Gold to Notes.	% of Gold & Silver to Notes.
1922 Jan.	125.9	304.3	430.2	155.5	36.1	36.8
Feb.	125.9	298.8	424.7	155.6	36.6	37.3
Mar.	125.9	300.4	425.3	155.6	36.6	37.7
Apr.	126.0	301.3	427.3	155.6	36.4	37.6
May	126.1	298.3	424.4	155.8	36.6	37.8
June	124.9	297.9	422.8	154.8	36.6	38.0
July	122.9	296.4	419.3	152.8	36.4	38.1
Aug.	122.9	293.3	416.2	152.7	36.7	38.4
Sept.	122.9	289.1	412.0	152.8	37.1	38.8
Oct.	122.9	288.0	410.9	152.7	37.2	38.9
Nov.	122.9	287.9	410.8	152.8	37.2	38.9
Dec.	122.9	301.3	424.3	152.8	36.0	37.7
1923 Jan.	123.0	280.3	403.2	152.8	37.9	39.6
Feb.	123.0	279.1	402.1	152.9	38.0	39.7
Mar.	123.0	285.6	408.6	152.9	37.4	39.1
Apr.	123.0	285.7	408.7	152.8	37.4	39.1
May 24	123.0	287.9	410.9	152.9	37.2	38.9

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